



State of Oklahoma  
Office of Management and Enterprise Services  
Central Purchasing Division

Solicitation

1. Solicitation #: 0900000148

2. Solicitation Issue Date: 7/11/2014

3. Brief Description of Requirement:

**Provider Network for the Healthchoice High Deductible Health Plan**

RFP NOTICE: Please note that on an RFP no pricing shall be released at the time of opening. Should a public opening be requested the only information to be released will be a list of bidders without pricing.

4. Response Due Date<sup>1</sup>: 7/28/2014

Time: 3:00 PM CST/CDT

5. Issued By and **RETURN SEALED BID TO:**

**Personal or Common Carrier Delivery or U.S. Postal Delivery:**

Office of Management and Enterprise Services  
Central Purchasing Division  
Will Rogers Building  
2401 N. Lincoln Blvd, Suite 116,  
Oklahoma City, OK 73105

6. Solicitation Type (check one below):

- ☐ Invitation to Bid  
☒ Request for Proposal  
☐ Request for Quote

7. Requesting Agency: OMES Employees Group Insurance Division

8. Contracting Officer:

Name: Jacob M. Charries

Phone: (405) 522-1040

Email: [Jacob.Charries@omes.ok.gov](mailto:Jacob.Charries@omes.ok.gov)

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



**State of Oklahoma  
Office of Management and Enterprise Services  
Central Purchasing Division**

**Responding Bidder Information**

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

1. **RE: Solicitation #** 0900000148

**2. Bidder General Information:**

FEI / SSN : \_\_\_\_\_

VEN 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>2</sup>:**

☐ YES – Permit #: \_\_\_\_\_

☐ NO – Exempt pursuant to Oklahoma Laws or Rules

**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 a certificate of insurance with the bid

☐ NO - attach a signed statement that provides specific details supporting the exemption you are claiming from the Workers' Compensation Act (Note: Pursuant to Attorney General Opinion #07-8, the exemption from 85 O.S. 2011, § 311 applies only to employers who are natural persons, such as sole proprietors, and does not apply to employers who are entities created by law, including but not limited to corporations, partnerships and limited liability companies.)<sup>3</sup>

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

\_\_\_\_\_  
Date

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

\_\_\_\_\_  
Title

<sup>2</sup> For frequently asked questions concerning Oklahoma Sales Tax Permit, see <http://www.tax.ok.gov/faq/faqbus-sales.html>

<sup>3</sup> For frequently asked questions concerning workers' compensation insurance, see <http://www.ok.gov/oid/faqs.html#c221>



**State of Oklahoma  
Office of Management and Enterprise Services  
Central Purchasing Division**

**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.

Solicitation or Purchase Order #: 0900000148

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.

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

**TABLE OF CONTENTS**

A    GENERAL PROVISIONS..... 4

B.    SPECIAL PROVISIONS ..... 10

C.    SOLICITATION SPECIFICATIONS..... 15

D.    EVALUATION ..... 15

E.    INSTRUCTIONS TO BIDDER..... 22

F.    CHECKLIST ..... 23

G.    OTHER..... 26

H.    PRICE AND COST ..... 30

## **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. "Bid" means an offer in the form of a bid, proposal, or quote a bidder submits in response to a solicitation;
- A.1.3. "Bidder" means an individual or business entity that submits a bid in response to a solicitation;
- A.1.4. "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.1.5. "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 the Will Rogers Building, 2401 N. Lincoln Blvd. First Floor, Suite 116, 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 order of preference:
  - A.9.2.1. Purchase order, as amended by Change Order (if applicable);
  - A.9.2.2. Solicitation, as amended (if applicable); and

A.9.2.3. 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 offeror's offer may be subject to negotiations and subsequent revision. As part of the negotiations, the offeror 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 580:16-7-32.

#### **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 Contract Modification, signed by the State Purchasing Director.
- 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 Contract Modifications, 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 bidder(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. Pursuant to 74 O.S. §85.44(B), invoices will be paid in arrears after products have been delivered or services provided.
- A.18.2. Interest on late payments made by the State of Oklahoma is governed by 62 O.S. §34.71 and 62 O.S. §34.72.

#### **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 bidder(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 bidder(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**

The Vendor must affirm its understanding of all RFP special provisions, provide information where requested and agree to comply with those provisions for the duration of the contract. Any alternative language offered by the Vendor to the Special Provisions shall be considered as to whether alternative language is or is not in the best interest of the plan and shall be evaluated accordingly. Alternative language shall be listed by the Vendor in the statement of Compliance in Section (F).

### **B.1. Acceptance of Offer**

- B.1.1.** The submission of a proposal shall constitute a binding offer to perform those services described within the proposal. The proposal shall remain in effect for six (6) months after submission. The Office of Management and Enterprise Services Human Capital Management Employees Group Insurance Division, hereinafter known as "EGID", shall have the option of accepting the proposal at any time within that six (6) month period. If the proposal is accepted more than six (6) months after submission, EGID and the Vendor shall agree to adjust the time lines up to six (6) months. The Vendor is advised that its proposal may be accepted any time within that six (6) month period, even if EGID accepted another Vendor's proposal and subsequently that contract was terminated.
  - B.1.1.1.** This paragraph contradicts and supersedes OMES Central Purchasing General Provisions at A.10.1
- B.1.2.** By submitting a proposal, the Vendor 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.1.3.** If a Vendor fails to notify EGID of an error, ambiguity, conflict, discrepancy, omission or other error in the RFP known to the Vendor, or an error that reasonably should have been known by the Vendor, the Vendor shall submit a proposal at its own risk. The Vendor shall not be entitled to additional compensation, relief or time by reason of the error or its later correction.

### **B.2. Contractual Term**

- B.2.1.** The Contract shall be awarded for a one (1) year term to be effective January 1, 2015. The effective date is based on the following conditions:
  - B.2.1.1.** The Vendor must provide EGID with access to its provider network information electronically via the web by September 1, 2014.
  - B.2.1.2.** The Vendor must have hosted a public hearing regarding changes in reimbursement rates or methodology pursuant to 74 O.S. § 1325 by October 1, 2014.
  - B.2.1.3.** The Vendor must have achieved fully functional interfacing with the EGID Third Party Administrator (TPA), HP Administrative Services, LLC. ("HP"), claims administration system by November 1, 2014.
- B.2.2.** EGID in its sole unrestricted discretion shall determine whether the conditions are met. If the Vendor fails to meet the aforementioned conditions by the date specified, new implementation schedules will be agreed upon and the effective date of the contract will be January 1, 2016. This contract expires December 31, 2019.
- B.2.3.** If the effective date is January 1, 2015, EGID in its sole discretion and at the end of each term, may renew the one (1) year term for four (4) additional one-year renewal terms.

### **B.3. Termination**

- B.3.1.** The Vendor shall give EGID at least one hundred eighty (180) days written notice prior to cancellation. The Vendor shall also provide one hundred eighty (180) days written notice prior to non-renewal.
  - B.3.1.1.** This paragraph contradicts and supersedes OMES Central Purchasing General Provisions at A.24.1.
- B.3.2.** EGID shall terminate this contract for cause upon giving the Vendor thirty (30) days written notice. Termination for cause is defined as the failure of the Vendor to maintain the breadth of its services provided for by this contract to the satisfaction of EGID. EGID shall terminate this contract without cause upon giving the Vendor one hundred eighty (180) days written notice.
- B.3.3.** Following the effective date of termination, this contract shall be of no further force and effect, except that each party shall remain liable for any obligations or liabilities arising from activities carried on by it hereunder prior to the effective date of termination of this contract.

- B.3.4.** The Vendor and EGID shall agree that each party reserve the right to terminate this contract if funds are not available to support the continuation of this contract or if it is otherwise determined by EGID, at its sole discretion, that it is in the best interest of the State to terminate the contract.
- B.3.5.** The Vendor shall for a period of no more than ninety (90) calendar days following termination, provide all services required in this contract for claims incurred prior to the termination date.

#### **B.4. Electronic and Information Technology Accessibility (EITA) Standards**

- B.4.1.** All electronic and information technology procurements, agreements, and contracts shall comply with Oklahoma Information Technology Accessibility Standards issued by the Oklahoma Office of State Finance. Electronic Information Standards shall be found at [www.ok.gov/DCS/](http://www.ok.gov/DCS/). 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.4.2.** Upon request, the Vendor shall provide a description of conformance with the applicable Oklahoma Information Technology Accessibility Standards for the proposed product, system or application development/customization by means of either a Voluntary Product Accessibility Template or other comparable document.
- B.4.3.** The Vendor 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 Vendor from any claim arising out of the Vendor's failure to comply with the aforementioned requirements.

#### **B.5. Certification of Insurance**

- B.5.1.** The Vendor shall furnish a Certificate of Insurance from an insurer satisfactory to EGID, certifying that liability coverage is in effect and that EGID is a sole beneficiary or named insured. Written notice must be received by EGID at least 20 days prior to date of cancellation.

#### **B.6. Confidentiality and HIPAA Requirements**

- B.6.1.** The Vendor 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 RFP is the sole property of the State of Oklahoma and shall remain confidential. It shall not be used by the Vendor nor transmitted to others for any reason whatsoever, except as shall be required to administer and implement the Solicitation Specifications described in this RFP, or with prior written approval from EGID.
- B.6.2.** The Vendor must identify its HIPAA compliance officer.
- B.6.3.** The Vendor, as a "Business Associate," agrees to the Business Associate Agreement at Section G of this Contract as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) statutes and regulations.

#### **B.7. Appropriated Funds**

- B.7.1.** The parties understand and agree that none of the sums to be paid under this Contract are appropriated funds. Should there be a revenue shortfall, EGID shall not seek appropriations and shall not use appropriated funds to pay for this obligation. The most recent applicable financial statement is posted on EGID's website: [www.ok.gov/sib/](http://www.ok.gov/sib/) (go to "About EGID" 2012 Annual Report Statement).

#### **B.8. Records**

- B.8.1.** The Vendor shall maintain full and adequate records relating to the services it is performing under this Contract and shall allow EGID to review and copy such records upon request. The Vendor shall provide adequate safeguards for all books and records. As part of its response to the RFP, the Vendor shall reveal to EGID the specifics of its safeguarding program.

#### **B.9. Right to Audit**

- B.9.1.** EGID, or its designated representatives, including the State Auditor and Inspector and independent third parties, shall be authorized to examine all records, data and systems of the Vendor 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.9.2.** EGID, or its designated representative, is authorized to visit the Vendor'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.9.3.** EGID, or its designated representative, is authorized to review the Vendor's operational procedures. 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.9.4.** The Vendor shall assist EGID by promptly providing requested records and data and reasonable access to the Vendor's personnel.
- B.9.5.** The findings of the audits performed by EGID or its designated representative shall be conclusive. The Vendor shall cooperate with EGID and implement the recommendations of the audit findings.
- B.9.6.** The Vendor is required to retain all records relative to this contract for the duration of the contract term 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 seven (7) 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.

## **B.10. Ownership of Data**

- B.10.1.** Although EGID is subject to the Oklahoma Open Records Act, 51 O.S. (2001) § 24A.1, EGID maintains documents and information that are considered confidential by law, 74 O.S. (2001) § 1322. In connection with this Contract, the Vendor may have access to information that is considered confidential. The Vendor warrants and represents that such confidential information shall not be sold, assigned, conveyed, provided, released, disseminated or otherwise disclosed by the Vendor, 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 Vendor 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 the Vendor to render services under this Contract or as required by law. The Vendor warrants and represents that it has a tested and proven system in effect to protect all confidential information as defined herein.
- B.10.2.** EGID "Confidential Information" includes the records and resulting data generated from the confidential information of all HealthChoice 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.10.3.** The Vendor agrees that EGID possesses exclusive property rights to the records and data designated herein as confidential information on behalf of HealthChoice members. The Vendor 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 Vendor'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.10.4.** The Vendor 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 have knowledge or reasonably should have knowledge. The Vendor 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 Vendor shall cooperate with EGID in connection with any litigation and investigation deemed necessary by EGID to protect any confidential information. The Vendor 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.10.5.** The Vendor 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 Vendor 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.10.6.** During the term of this Contract, the Vendor agrees that EGID is granted access to all EGID Confidential Information in the possession of the Vendor and upon EGID request the Vendor shall deliver to EGID a

copy of any specified EGID confidential information and data that the Vendor prepared, developed and/or stored by the Vendor as part of this contract.

**B.10.7.** Prior to the expiration, or upon the earlier termination of this Contract, the Vendor shall provide EGID all confidential information and data as defined herein within the Vendor's possession in the form of hard copy and/or electronic storage media. This paragraph does not apply to the Vendor's proprietary formats or systems that contain the confidential information or proprietary documents pertaining to the operation of the Vendor's business. The Vendor may retain copies of those records or documents which it considers necessary for proof of performance.

**B.10.8.** This entire Section shall survive any termination, renewal, extension or amendment of this Contract.

#### **B.11. Contract Defined**

**B.11.1.** This RFP, together with the Vendor's response, exhibits, written questions and clarifications, amendments or revisions signed by both parties, and the purchase order, constitute the entire and final agreement between EGID and the Vendor relating to the rights granted and the obligations assumed by the parties and is the Contract when the Contract is awarded to the successful Vendor.

**B.11.2.** Any prior agreements, promises, negotiations, or representations, either oral or written, relating to the subject matter of this RFP and the Vendor's response thereto, not expressly set forth, are of no force or effect.

#### **B.12. No Commissions**

**B.12.1.** The Vendor must agree to and shall perform all services described in this RFP and the final Contract, strictly according to a fee-for-services basis; that absolutely no commissions or finder's fees shall be paid to anyone or any organization resulting from the State of Oklahoma's contract, either arising from an agreement to pay a commission or finder's fee prior to or during the term of this contract; and, to provide a statement as part of its response to this RFP, and prior to each contract renewal, that absolutely no commissions or finder's fees are to be paid to any subcontractor, broker, agent or other individual, organization or entity.

#### **B.13. Conflict**

**B.13.1.** The Vendor shall disclose any apparent or potential conflict of interest or affirm that it has none. The Vendor 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 Vendor 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. (2011), § 3401, et seq., and the Conflict of Interest provision in the Oklahoma Central Purchasing Act at 74 O. S. (2011), § 85.3.

#### **B.14. Lawsuits and Litigation**

**B.14.1.** The Vendor must disclose, unless prohibited by securities laws, any prior lawsuits and litigation, violations of administrative rules and hearings, or any lawsuits and litigation 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. The Vendor must disclose any settlements, compromises or judgments of Record resulting from the foregoing described litigation or administrative proceedings for the past five (5) years or affirm there are none. If the Vendor determines the aforementioned information to be confidential, it shall provide a statement of that fact.

**B.14.2.** The Vendor 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 RFP that was initiated by persons or entities other than the Vendor and resulted in a settlement with or judgment against the Vendor 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.

**B.14.3.** The Vendor shall disclose any data security breaches and specifically any HIPAA security breaches that were reported to any federal or state authority by the Vendor within the previous three (3) years.

**B.14.4.** The Vendor shall disclose if it has any past or pending investigation, legal actions, administrative actions, or matter subject to arbitration brought involving the Vendor (and Vendor's parent firm if applicable), 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.

#### **B.15. Federal Exclusion List**

**B.15.1.** The Vendor 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 payment from federal government programs by the Department of Health and Human Services, Office of Inspector General.

**B.16. Fraud, Waste & Abuse Compliance Program**

**B.16.1.** The Vendor must acknowledge HealthChoice's Fraud, Waste & Abuse Compliance Program. The compliance program can be viewed at [www.ok.gov/sib/](http://www.ok.gov/sib/) (Go to "About EGID", then click on "Fraud, Waste, and Abuse") The Vendor must include in its Fraud, Waste & Abuse training efforts at least one hour annually of training for applicable Vendor employees.

**B.17. Office Location**

**B.17.1.** The Vendor must provide the address and describe the facilities that will be used to manage the proposed network.

**B.18. Vendor Representation**

**B.18.1.** The Vendor must describe the management staff including qualifications, experience and resumes. The Vendor must identify the Account Executive that has authority to make decisions for the Vendor regarding all aspects of the HealthChoice High Deductible Plan network.

**B.19. Hold Harmless**

**B.19.1.** The Vendor shall be responsible for the work, direction, and compensation of its employees, agents and subcontractors. Neither EGID nor the State of Oklahoma shall be liable, directly or indirectly, for the work and direction of Vendor's employees, agents or subcontractors. The Vendor 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 its employees, agents, and subcontractors of the Vendor against the Vendor; negligent or willful acts of the Vendor, its employees or agents in performance of this Contract; acts, omissions or liabilities of the Vendor acting in any capacity that relate to the Contract; and damages, costs, fines or penalties arising from HIPAA violations committed by Vendor, its 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.20. Designation of Personnel**

**B.20.1.** 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.21. Severability**

**B.21.1.** 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.22. Notice**

**B.22.1.** 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 Human Capital Management Employees Group Insurance Division, Office of management and Enterprise Services, at 3545 N.W. 58th, Oklahoma City, Oklahoma 73112, or the Vendor at the address listed on the purchase order. The USPS notice shall be effective on the date indicated on the return receipt.

**B.23. Supremacy of State Statutes**

**B.23.1.** 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. Any interpretation or disputes with respect to contract provisions shall be resolved according to the laws of the State of Oklahoma. Jurisdiction and venue for any litigation between EGID and the Vendor shall occur in either a State or Federal court in Oklahoma County, Oklahoma.

**B.24. Force Majeure**

**B.24.1.** Neither party shall be liable for any delay or failure of performance under this contract due to an act of God, or due to war mobilization, insurrection, rebellion, riot, sabotage, explosion, fire, flood or storm.

**B.25. Assignments**

**B.25.1.** This contract shall not be assigned in whole or in part without written understanding and EGID approval.

**B.26. Subcontractors**

- B.26.1.** In the event a proposal is jointly submitted by more than one Vendor, one of the organizations must be designated as the Prime Contractor. All other entities should be designated as subcontractors. The Prime Contractor shall certify that each subcontractor complies with the minimum requirements of this RFP and all contract provisions. The Prime Contractor shall provide said certification for future subcontractors when a subcontractor is engaged to perform services for EGID on behalf of the contracted Vendor.
- B.26.2.** 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.26.3.** Additionally, those Vendors utilizing subcontractors for this RFP shall name the subcontractor, define the relationship, the services to be performed by the subcontractor, and clearly state the years of experience. The Vendor shall document procedures implemented allowing the Vendor to fully interface with its subcontractors. For example, the Vendor 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. Minor Deficiencies or Informalities**

- B.27.1.** "Minor deficiency" or "minor informality" means an immaterial defect in a bid or variation in a bid from the exact requirements of a solicitation that may be corrected or waived without prejudice to other bidders. A minor deficiency or informality does not affect the price, quantity, quality, delivery or conformance to specifications and is negligible in comparison to the total cost or scope of the acquisition.
- B.27.2.** The State Purchasing Director may waive minor deficiencies or informalities in a bid if the State Purchasing Director determines the deficiencies or informalities do not prejudice the rights of other bidders, or are not a cause for bid rejection.

**B.28. Disclosures Regarding Lobbyist**

- B.28.1.** A vendor may not reimburse itself within its state contract pricing for its costs and expenses of lobbyists.
- B.28.2.** Any vendor using the services of a lobbyist to assist in obtaining a contract shall
- B.28.2.1.** Disclose all costs, fees, compensation, reimbursements, and other remunerations paid or to be paid to the lobbyist related to the contract
- B.28.2.2.** Not bill or otherwise charge the State for such and
- B.28.2.3.** Certify that no such costs were billed to the State.
- B.28.3.** The name and address of each lobbyist or agent of the vendor, contractor, subcontractor who communicated with a State employee about a proposal or potential proposal must be disclosed with proposal response.

**C. SOLICITATION SPECIFICATIONS**

The Vendor shall comply with all requirements in this section. The Vendor must state in its response exactly how it shall comply, providing detailed information and stating affirmatively its understanding of the requirements. Any alternative method offered by the Vendor to the required Solicitation Specifications shall be considered as to whether the alternative method is or is not in the best interest of the plan, and shall be evaluated accordingly. Said alternative methods shall be listed by the Vendor in the Statement of Compliance in Section F.

In the event the Vendor proposes a service requirement by different procedures with a similar result, the Vendor shall explain in detail and provide the potential impact to EGID, its members and providers. No such alternative method shall be implemented by the Vendor without express written approval of EGID.

All services required in this RFP are all-inclusive, and the Vendor shall not charge any additional fees including, but not limited to benefit and plan changes, line charges, upgrades, mailings, and postage. Any additional services that the Vendor intends to provide EGID, and which are included in the fees quoted in the response to this RFP, should be described in the Vendor's response. Any additional services that the Vendor intends to provide EGID, and which are not included in the administrative fees quoted, shall be itemized in the Vendor's financial proposal.

**C.1. Issuing Office**

C.1.1. This Request for Proposal (RFP) is issued by Central Purchasing on behalf of EGID.

## C.2. Statement of Purpose

C.2.1. The purpose of the Contract is to lease a provider network for the HealthChoice High Deductible Health Plan. The leased network should offer competitive reimbursements lowering financial exposure to the self-insured fund and lowering the member's cost share.

## C.3. Identification of HealthChoice

C.3.1. HealthChoice was established by, and operates pursuant to, the Oklahoma Employees Insurance and Benefits Act, 74 O.S. (2013) § 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 insurance plans offered by EGID. The self-funded health, dental and life insurance plans offered by EGID are known as the HealthChoice plans. EGID makes decisions on all policy matters affecting the group insurance plans, including member benefits, premium rates and the investment of plan reserves. As of June 30, 2014, the total eligible non-Medicare covered lives is 185,183. There are currently 811 members and 1,678 covered lives enrolled in the High Deductible Health Plan.

C.3.2. 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/](http://www.ok.gov/sib/) ("About EGID")

C.3.3. HP is the current Third Party Administrator (TPA) for health, dental and life claims and the administration of the certification process.

## C.4. Identification of HealthChoice High Deductible Plan

C.4.1. Go to <http://www.ok.gov/sib/documents/HCSAccount.pdf> for information on the High Deductible Plan also known as the S-Account plan.

C.4.2. The historical enrollment information for the HealthChoice High Deductible Health Plan is as follows:

Year	Members	Total Covered Lives
2012	206	447
2013	477	1,011
2014	811	1,678

## C.5. General Administration

C.5.1. The Vendor shall comply with provider contracting requirements pursuant to the Oklahoma Employees Insurance and Benefits Act. Specifically:

C.5.1.1. [74 O.S. § 1304.1(M)(18)] wherein out of state providers must be reimbursed at least at the same percentage level as the network percentage level. The HealthChoice plans may only contract outside this parameter when the out of state provider was referred out of state by a physician or it is an emergency and the out of state provider is the closest in proximity.

C.5.1.2. [74 O.S. § 1304.1(M)(19)] wherein the contract for out of state network providers must be identical to in-state provider contracts.

C.5.1.3. [74 O.S. § 1307.3] wherein out of state providers are paid at the same level as in state providers.

C.5.1.4. [74 O.S. § 1325] wherein notice and public hearings must occur before adopting changes in reimbursement rates or methodologies.

C.5.1.5. [74 O.S. § 1326] wherein copies of fee schedules must be made available to participating providers.

C.5.1.5.1. Does the Vendor acknowledge and agree to the provider network contracting requirements?

C.5.2. The Vendor shall explain in detail the claims procedure options for repricing claims.

C.5.2.1. Are claims sent directly to the Vendor or EGID's TPA?

C.5.2.2. What is the percentage of claims turnaround time from receipt of the claim to EGID's TPA within? i.e.; 24 hours; 48 hours or 72 hours

C.5.3. The Vendor shall explain in detail the data collection, exchange and interface procedures between the Vendor and EGID and EGID's TPA.

C.5.4. EGID will produce and mail identification cards. The Vendor shall provide any co-branding requirements and a sample identification card of the required information for every network that the Vendor proposes.



**C.5.5.** The Vendor's network providers shall comply with EGID's certification, concurrent and retro-certifications reviews. Refer to EGID's website at <http://www.ok.gov/sib/documents/HealthHandbook.pdf> Page 12, certification requirements for the following services:

**C.5.5.1.** Inpatient hospital admissions

**C.5.5.2.** Sub-acute and long-term acute care admissions

**C.5.5.3.** Inpatient rehabilitation

**C.5.5.4.** Skilled nursing facility

**C.5.5.5.** Residential treatment

**C.5.5.6.** Transplants

**C.5.5.7.** Day treatment

**C.5.5.8.** Limited out-patient hospital surgical procedures

**C.5.5.9.** Diagnostic imaging

C.5.5.9.1. Sinus CT/MRI

C.5.5.9.2. Head/brain CT/MRI

C.5.5.9.3. Chest CT, including spiral CT (CAD)

C.5.5.9.4. Spine CT/MRI

C.5.5.9.5. Shoulder/MRI

C.5.5.9.6. PET scans

**C.5.5.10.** Exhaustion of Medicare inpatient hospital benefits

**C.5.5.11.** Coordination of benefits

**C.5.5.12.** Other, as determined by EGID.

C.5.5.12.1. Describe in detail how the Vendor's network providers will be notified and comply with the certification requirements?

**C.5.6.** The Vendor must provide a copy of its disaster recovery plan.

**C.5.7.** The Vendor must provide a detailed implementation project plan and timeline within ten (10) business days from the award of the contract to ensure that services can be offered by the effective date of this contract.

**C.5.8.** EGID is a progressive and innovative plan that will consider additional services and opportunities that the Vendor would like to include in the RFP for consideration by EGID

**C.5.8.1.** Describe in detail what additional services and opportunities that the Vendor can provide beyond the services required in this RFP, at no cost to EGID.

**C.5.8.2.** Describe additional services being offered at additional cost to EGID. Identify additional costs in the financial proposal.

**C.5.9.** The Vendor shall provide a toll-free customer service phone line, Telecommunication Devices for the Deaf (TDD), and customer service for member inquiries regarding its provider network. The Vendor shall be responsible for insuring the member understands that its pricing information does not guarantee benefits and the member should contact HP regarding plan policies and provisions.

## **C.6. Network Access**

**C.6.1.** The Vendor shall offer a comprehensive statewide provider network.

**C.6.1.1.** Complete Exhibit A identifying the number of network providers by provider type for the State of Oklahoma. The Vendor should use only the provider's primary specialty when completing Exhibit A.

**C.6.1.2.** Complete Exhibit B reporting GeoAccess based on the criteria listed below for urban/suburban within 10 miles. The Vendor should use only the provider's primary specialty when completing Exhibit B.

C.6.1.2.1. Number of Hospitals

C.6.1.2.2. Number of Ambulatory Surgery Centers (ASC)

C.6.1.2.3. Number of Primary Care Providers (General Medicine and Internal Medicine)

C.6.1.2.4. Number of Obstetrics/Gynecologists

C.6.1.2.5. Number of Pediatric Medicine Providers

C.6.1.2.6. Number of Psychiatrists

C.6.1.2.7. Number of other Specialists (not previously listed)

**C.6.1.3.** Complete Exhibit B reporting GeoAccess based on the criteria listed below for rural within 30 miles. The Vendor should use only the provider's primary specialty when completing Exhibit B.

C.6.1.3.1. Number of Hospitals

C.6.1.3.2. Number of Ambulatory Surgery Centers (ASC)

C.6.1.3.3. Number of Primary Care Providers (General Medicine and Internal Medicine)

C.6.1.3.4. Number of Obstetrics/Gynecologists

C.6.1.3.5. Number of Pediatric Medicine Providers

C.6.1.3.6. Number of Psychiatrists

C.6.1.3.7. Number of other Specialists (not previously listed)

**C.6.1.4.** Describe the network options available, if any, for members that live, work, or travel outside the State of Oklahoma.

## **C.7. Network Management**

**C.7.1.** The Vendor should establish, revise, and administer any and all provider networks for the HealthChoice High Deductible Health Plan including, but not limited to, selecting providers and retaining providers, and determining methods and amount of payment to providers.

**C.7.1.1.** Describe the networks including owned, leased/blend and wrap and any subcontractors that will be utilized.

**C.7.1.2.** What type of liability insurance is required for providers? i.e. minimum limits by provider type (facility, physician, ancillary, etc.)

**C.7.1.3.** How does the Vendor determine the appropriate number and type of providers for a given population?

C.7.1.3.1. What are these standards and how were they developed?

C.7.1.3.2. Is the standard different in Oklahoma than from national standards?

**C.7.1.4.** What is your network turnover rate both nationally and for Oklahoma by provider type or category (i.e. primary care, specialist)?

**C.7.1.5.** What is your network growth rate for the past five (5) years both nationally and for Oklahoma by provider type or category (i.e. primary care, specialist)?

**C.7.1.6.** What are your future plans for network expansion or reduction in Oklahoma?

**C.7.1.7.** Describe any specific measures used to monitor physician access. Provide the most recent corresponding statistics available. (Examples: physician to patient ratios)

**C.7.1.8.** Are there Centers of Excellence in the network? If so, describe in detail the providers with special designations and how the reimbursement methodology differs from other providers.

## **C.8. Provider Payment**

**C.8.1.** Describe the various payment approaches used (i.e. discounted charges, MS-DRG, fee schedule, per diem, case rates, etc.) by provider type (i.e. hospital, PCP, etc.). Provide the percentage by payment type.

**C.8.1.1.** Example hospital 55% of all reimbursements are MS-DRG and 45% are per diem.

**C.8.2.** What has been the average percentage increase in provider reimbursement for 2013 and 2014? What are you projecting for 2015 and 2016?

Year	Network	Hospital	Primary Care	Physician	Specialist
2013					
2014					
2015					
2016					

- C.8.3. Describe in detail any anticipated changes to reimbursement approaches or policies in the coming year for the Oklahoma network?
- C.8.4. Describe the payment approaches for out-of-network providers.
  - C.8.4.1. Are there any contracting arrangements that take place after the out-of-network claim is reported?
  - C.8.4.2. Are out-of-network providers paid a percentage of billed charges? If not, what is the expected discount?
- C.8.5. What are your projected network savings (percent discount from billed charges) for a 12 month period? Describe in detail how network savings are calculated including the formula and variables.

## C.9. Claims Repricing Analysis

- C.9.1. The Vendor shall reprice HealthChoice's medical claims for all plans for the period incurred January 1, 2014 through March 31, 2014. Since the High Deductible Plan has limited claims experience, all of the HealthChoice plans will be repriced in order to fully evaluate the vendor's network.
  - C.9.1.1. The Vendor can access a zipped file at <https://gateway.sib.ok.gov/healthconnect/rfp/20140711LNHDHP/HDHP.zip>. The file contains 1) Exhibit A in excel; 2) Exhibit B in excel; 3) Exhibit C in a zipped text delimited file; and an excel file for valid values for the provider type and the place of service. The password for the zipped data is the bid solicitation number. That data will only be available until July 22, 2014. Exhibits A, B and C are to be provided on a separate CD with the bid.
  - C.9.1.2. For each record in the claims repricing file, vendors need to apply contracts based on the following:
    - C.9.1.2.1. Professional claims will be repriced based on CPT and HCPCS codes mapped to contracts and providers in-network on January 1, 2014.
    - C.9.1.2.2. Facility claims will be repriced based on the facility's average discount effective January 1, 2014 given the carrier's book of business utilization with the respective provider.
    - C.9.1.2.3. For contracts that are volume based, the repricing will use the volume in place during the 2013 discount period used. No projections should be made for changes in volume with any provider or facility.
  - C.9.1.3. Each Vendor will provide a file with the aforementioned data and the repriced eligible charges. The format and content of the returned repricing file should be identical to how it was received, with additional columns for repricing and a no match indicator, if applicable.
- C.9.2. For facility-based services, the Vendor must populate the repriced column with repriced eligible charges using January 2014 discounts. For professional services, the Vendor must use January 2014 contracted fees. A separate column must be set up for each proposed network. The Vendor must not make any adjustment to the eligible charges for reasonable and customary (R&C) cutbacks and must reprice the claim to be equal to the eligible charges. Any additional contracting arrangements that yield deeper discounts than the proposed network's standard discounts (e.g., high performance networks or special contracting arrangements with local networks) should not be included in the repriced amount for primary or secondary networks.
- C.9.3. The **No Match** indicator is for claims associated with providers that don't match the vendor's networks. **Vendors should not make any assumptions that such claims may be redirected to a participating provider.** Any provider that is not in the Vendor's primary or secondary (if applicable) network should be flagged as **No Match**. EGID will review the Vendor's network and identify providers that are missing or are not matching. A disruption analysis will be developed using the **No Match** indicator in the repricing files.
  - C.9.3.1. The following fields are available in the file:
    - C.9.3.1.1. Randomly Generated Claim Line ID
    - C.9.3.1.2. Claim Type (HO – Hospital; OP – Outpatient; ME – Professional)
    - C.9.3.1.3. Provider Tax Identification Number (TIN) – In text format (9 digit) with leading zero when needed
    - C.9.3.1.4. Provider Name
    - C.9.3.1.5. Provider Place of Service City
    - C.9.3.1.6. Provider Place of Service State
    - C.9.3.1.7. Provider Place of Service ZIP – In text format (5 digit) with leading zero when needed

- C.9.3.1.8. Provider Type (See Excel File Data Layout Valid Values)
- C.9.3.1.9. DRG Code (If applicable, only for claim type HO)
- C.9.3.1.10. Primary Procedure Code (CPT/HCPCS/Revenue Code)
- C.9.3.1.11. Secondary Procedure Code (CPT/HCPCS/Revenue Code)
- C.9.3.1.12. Procedure Code Modifier
- C.9.3.1.13. Paid Service Units
- C.9.3.1.14. Place of Service (See Excel File Data Layout Valid Values)
- C.9.3.1.15. Begin Service Date
- C.9.3.1.16. End Service Date
- C.9.3.1.17. Billed Charges/Submitted Charges
- C.9.3.1.18. Eligible Charges (i.e., what is covered before deductible and coinsurance and before discounts)
- C.9.3.2.** In addition to providing the repriced claims, Vendors will be asked to provide the following information:
  - C.9.3.2.1. Any considerations that may impact the results of the above analyses should be made available to EGID with the submission of the repricing data; and
  - C.9.3.2.2. Findings and details/data from the Vendor's own analysis of the results and repricing data such as a summary by state, top provider, network versus non-network, etc.

**C.9.4.** The submitted repriced claims files will be utilized to develop a portion of the overall score. Each Vendor's score will represent a relative scoring to the most competitive (lowest claims cost) Vendor's repriced claims files. The vendor with the lowest cost claims repricing will receive the maximum point allocation. Remaining Vendor proposals will receive a proportional percentage of points relative to how close their claims repricing file was to the most competitive Vendor's cost.

## **C.10. Provider Directory**

- C.10.1.** The Vendor shall develop and maintain an on-line, real-time, current directory of participating providers of services. Real-time is defined as instantaneous electronic information transmission as it is available to the Vendor. Batch processing is not considered real-time. Provider directories must be available to all EGID members and should be easily accessible by members on the Vendor's web site. The provider directory must, at a minimum, be searchable by location, provider type and specialty. The on-line provider directory must be capable of being printed, in a printer-friendly format. The Vendor shall notify EGID within ten (10) business days of any significant changes in the network.
  - C.10.1.1.** The Vendor must provide a link to the current website provider directory.
  - C.10.1.2.** The Vendor must disclose the frequency of updates to the website provider directory.
  - C.10.1.3.** The Vendor must provide confirmation that its website is in compliance with the American Disabilities Act (ADA).
  - C.10.1.4.** The Vendor shall describe the process for notifying EGID of significant changes/additions/deletions to the provider network.
  - C.10.1.5.** The Vendor shall describe tools that are available to plan members for locating and researching providers.
  - C.10.1.6.** For High Deductible Plan members, it is imperative that members have ready access to the cost of provider services. What "transparency pricing" tools are available to help members select cost effective, high quality providers?

## **C.11. High-Performance Network (HPN)**

- C.11.1.** The Vendor should pursue aggressive provider contracting either as a core business decision or on behalf of EGID, if requested. Such contracting may be driven by cost, quality, or other reasons deemed appropriate by EGID and pursuant to the Oklahoma statutes as described in Section C.5.1.
- C.11.2.** The Vendor should update EGID with capabilities related to Accountable Care Organizations (ACO), Patient Centered Medical Homes (PCMH), and other shared savings type of arrangements and opportunities with the provider community.
- C.11.3.** The Vendor should create partnerships with organizations that place a strong emphasis on innovation, quality of care, and improved health.

- C.11.3.1.** Does the Vendor offer a HPN? If so, provide a brief description.
- C.11.3.2.** How is a particular geographic market selected as an appropriate region to support a HPN?
- C.11.3.3.** How are specific providers/facilities identified for inclusion in a HPN?
- C.11.3.4.** Describe the contracting strategy as it relates to the rebalancing of payments between primary care and specialty care. This could include PCMH, ACO, etc.
- C.11.3.5.** Which Oklahoma markets currently have or are targeting for the aforementioned strategies?
- C.11.3.6.** Describe the Vendor's philosophy as it relates to encouraging and defining "High Performing Providers."
- C.11.3.7.** What percentage of the standard network is included in the HPN?
- C.11.3.8.** What types of providers are included in the HPN (i.e. primary care, specialists, hospitals)
- C.11.3.9.** How is ongoing provider performance measured and how is this performance communicated back to providers? How are the high performance providers maintained and how are they re-evaluated?
- C.11.3.10.** Provide a detailed description of the HPN and future strategy for this High Deductible Health Plan Network. How could this HPN be applied for all HealthChoice plans and members?
- C.11.3.11.** Describe the degree and amount of input physicians and physician groups have in the performance measurement program. In particular, are physicians provided an opportunity to review and comment on the data and methods used in the measurement program? Are providers allowed to offer feedback on the communication of results?
- C.11.3.12.** Describe in detail any quality incentive payments or other pay-for-performance program in place in the Oklahoma network.

## **C.12. Reports**

**C.12.1.** The Vendor shall provide EGID with reports that detail the following requirements:

- C.12.1.1.** Monthly (Due 10 days following the end of the calendar month)
  - Federal Exclusion List;
  - Savings Report
- C.12.1.2.** Quarterly (Due 30 days following the end of the calendar quarter)
  - Management Report
  - Savings Report
  - Network Provider coverage (Exhibit A)
- C.12.1.3.** Yearly (Due 30 days following the end of the calendar year)
  - Management Report
  - Savings Report
  - GeoAccess Reports (Exhibit B)
  - Fraud, Waste and Abuse Compliance
  - HIPAA Training

## **C.13. Performance Standards**

**C.13.1.** The Vendor shall adhere to the performance standards included in this RFP. Failure to meet the minimum performance standards shall constitute a breach of this contract and may result in termination, liquidated damages and/or disqualification from bidding on any future ITBs and RFPs issued by the State of Oklahoma for a period of time not to exceed three (3) years.

Failure to meet the minimum performance standards shall result in an assessment of actual damages, provided actual damages can be calculated; otherwise, liquidated damages shall be assessed in accordance with this agreement and for the sole purpose of compensating EGID an amount of money sustained by the Vendor's breach of contract. EGID shall incur no damages, including but not limited to interest payments to providers and/or members, for the Vendor's failure to meet the minimum performance standards.

- C.13.1.1.** What is the guaranteed discount from billed charges for inpatient, outpatient, ASC and professional services?

**C.13.1.2.** The Vendor should propose performance guarantees by which its performance may be judged. Liquidated damages will be attached to these additional standards through the negotiation process, should the Vendor be selected as a finalist.

**C.13.2.** All liquidated damages pursuant to the contract shall be reported and assessed on a quarterly basis. EGID shall withhold the amount of damages amount from the administration fee then payable to the Vendor. However, EGID, or its designated representative, reserves the right to periodically conduct audits to verify that the performance standards are being met. The findings of the audits performed by EGID, or its designated representative, shall be conclusive.

**C.13.2.1.** Does the Vendor agree to this requirement?

**C.13.3.** Performance standards shall be measured and penalties assessed on a quarterly basis.

**C.13.3.1.** Does the Vendor agree to this requirement?

## **D. EVALUATION**

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

**D.1.1.** Proposals will be evaluated on the "best value" determination in accordance with 74 O.S. §85.2 (2)

**D.1.2.** EGID reserves the right to request demonstrations and clarifications from any or all responding bidders.

**D.1.3.** EGID reserves the right to accept or reject any or all proposals or portions thereof.

**D.1.4.** EGID reserves the right, at its sole discretion, to request clarifications of 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 supplier shall put such clarification in writing.

### **D.2. Competitive Negotiations of Proposals**

**D.2.1.** EGID reserves the right to negotiate with one, selected few, all, or none of the bidders responding to this solicitation to obtain the best value. EGID will consider all issues to be negotiable. Negotiation shall be with one or more bidders, for any and all items in the bidder's proposal. Vendors that contend it lacks flexibility because of its corporate policy on a particular negotiation item will face a significant disadvantage and may not be considered.

**D.2.2.** All proposals will be evaluated for compliance with Minimum Requirements of this RFP. Proposals clearly failing to meet minimum requirements or proposals needing substantial clarifications to determine compliance will be eliminated from future consideration or evaluation. Vendors whose proposals need minor clarification will be allowed to clarify those points. Only bids meeting all Minimum Requirements will be evaluated further.

**D.2.3.** EGID reserves the right to consider historical information and facts, whether gained from the Vendor's proposal, question and answer conferences, references, or any other source in the evaluation process.

**D.2.4.** The Vendor is cautioned that it is the Vendor'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 Vendor's proposal. Failure to submit such information may cause an adverse impact on the evaluation of the Vendor's Proposal.

**D.2.5.** Negotiations will only be conducted with potentially acceptable proposals. The State reserves the right to limit negotiations to those proposals that received the highest rankings during the initial evaluation phase, if the negotiation does not result in modifications to the proposal the Vendor will be scored based on the initial submitted proposal. Negotiations may be conducted in person, in writing or by telephone.

**D.2.6.** Terms, conditions, prices, methodology, or other features of the Vendor's proposal shall be subject to negotiations and subsequent revision. As part of the negotiations, the Vendor shall 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 proposal.

**D.2.7.** BEST and FINAL – The state shall request best and final offers if deemed necessary, and will determine the scope and subject of any best and final request. However, the supplier should not expect that the state will ask for best and finals to give the Vendor an opportunity to enhance its proposal. Therefore, the Vendor should submit its best offer based on the terms and conditions set forth in this solicitation.

### **D.3. Selection Criteria**

**D.3.1.** Total Score of the following criteria:

**D.3.1.1.** Compliance with RFP terms

**D.3.1.2.** Network Management

## E. INSTRUCTIONS TO SUPPLIER

### E.1. Introduction

Prospective Bidders are urged to read this solicitation carefully. Failure to do so will be at the Bidder'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 Bidder 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 Bidder's failure to read and understand any term or condition in this solicitation constitute grounds for a claim after contract award.

#### E.1.1. MANDATORY AND NON-MANDATORY TERMS

- E.1.1.1. Whenever the terms "shall", "must", "will", or "is required" are used in this RFP, the specification being referred to is a mandatory specification of this RFP. Failure to meet any mandatory specification may cause rejection of the Bidder's Proposal.
- E.1.1.2. Whenever the terms "can", "may", or "should" are used in this RFP, the specification being referred to is a desirable item and failure to provide any item so termed will not be cause for rejection.

### E.2. Proposal Process

E.2.1. All proposals must be submitted in accordance with the policies, procedures, requirements and dates set forth herein. No late proposal shall be accepted. An original, five (5) copies, and one (2) electronic copies on CD or DVD in a searchable PDF format allowing full text searches of the Vendor's response language, including Exhibits A, B and C on a separate CD or DVD must be submitted by 3:00 p.m. CST, Monday, July 28, 2014 to:

E.2.1.1. Jacob M. Charries, Contracting and Procurement Officer  
Department of Central Services  
Central Purchasing Division  
Will Rogers Building, First Floor, Suite 116  
Oklahoma City, Oklahoma 73152-8803  
Phone: (405) 522-1040  
Fax: (405) 522-1077  
Email: [Jacob.Charries@omes.ok.gov](mailto:Jacob.Charries@omes.ok.gov)

- E.2.2. The Vendor shall submit with its proposal an executive summary no longer than two (2) pages, outlining significant features of the proposal. The summary should highlight the Vendor's philosophy, its experience with similar programs and the administrative approach presented in the proposal. The summary must also include a description of the Vendor's understanding of the RFP along with organizational and conceptual approaches to be used.
- E.2.3. The proposal will be received by EGID Central Purchasing. After opening, it will be reviewed by the Central Purchasing for conformation with the Proposal Submission Requirements. Non-conforming proposals will not be considered further. Central Purchasing will then forward the acceptable proposals to EGID.
- E.2.4. EGID's Evaluation Committee will in turn review for compliance with Minimum Requirements. Proposals that do not meet Minimum Requirements shall not be considered further.
- E.2.5. EGID will then review the acceptable proposals in their entirety. That process will result in the identification of proposals, which, in the opinion of EGID would result in an acceptable Vendor. References will then be checked and EGID will invite selected Vendors to its office for discussions and demonstrations or EGID may request a site visit to the Vendor's offices.
- E.2.6. If EGID determines that one of the proposals is preferred and acceptable, Central Purchasing will be notified and the negotiations with that Vendor will begin. If the Vendor and EGID cannot conclude this negotiation phase, EGID shall begin negotiations with the next ranked highest Vendor. If one proposal is not preferred, EGID shall simultaneously negotiate with more than one Vendor.
- E.2.7. When negotiations are finished, Central Purchasing will complete its processes, likely resulting in a contract award and all Vendors submitting responses will be notified.

### E.3. Proposal Format

- E3.1.** Proposals shall be prepared in the format described below. Failure to comply with the specified format shall lead to a Vendor's proposal being declared non-responsive. EGID is especially concerned that the format of the proposal sequentially responds to the RFP: Special provisions, Solicitation Specifications, Minimum Requirements, Statement of Compliance and Business Associates Agreement. The Vendor should restate the service, requirement, or question and then state its response. The Vendor shall assign consecutive page numbers in its response.
- E3.2.** 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. If a Vendor supplied a publication to respond to a requirement, the response should include references to the publication and page number. Proposals without this reference shall be considered to have no reference materials included.
- E3.3.** An official copy of the RFP is obtainable only through Central Purchasing.
- E3.4.** The proposal shall be configured to arrive at the designated office in one physical container (the "Outer Container"). FAX or electronic submissions are not acceptable.
- E3.5.** The Oklahoma Constitution prohibits the inclusion of clauses in any State contract which limit the liability of the Vendor. Bids containing Limitation of Liability clauses may be rejected as non-responsive.

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

- E4.1.** To the extent permitted by the Oklahoma Open Records Act, 51 O. S. (2001) § 24A.1-27, the Vendors' proposals will not be disclosed, except for purposes of evaluation, prior to approval by the Central Purchasing of the resulting contract. All material submitted become the property of the State of Oklahoma. Proposals will not be considered confidential after a contract is awarded.
- E4.2.** Submitted proposals may be reviewed and evaluated by any person designated by EGID, other than one associated with a competing bidder. EGID reserves the right to use any and all ideas presented in any response to the RFP. Selection or rejection of a proposal does not affect this right.
- E4.3.** Proposals are subject to public disclosure in accordance with General Provisions A.7. PROPOSALS MARKED AS PROPRIETARY and/or CONFIDENTIAL SHALL NOT BE CONSIDERED.

#### **E.5. Restrictions on Communication with EGID Staff**

- E5.1.** From the issue date of this RFP until a Vendor is selected, Vendors are not allowed to discuss this RFP with any EGID Board member, employee or any Consultant to EGID unless the discussion is part of the negotiation process. Any violation of this restriction shall result in disqualification.

#### **E.6. Questions**

- E6.1.** All questions regarding this solicitation must be submitted in writing and are to be emailed to no later than 3:00pm CST Thursday, July 17, 2014. Questions are to be emailed to [Jacob.Charries@omes.ok.gov](mailto:Jacob.Charries@omes.ok.gov). Questions received after this date will not be answered. An Amendment will be posted after this deadline listing all questions received and their answers.

#### **E.7. Information from One Supplier Concerning Another Is Prohibited**

- E7.1.** Vendors are advised that EGID is not interested in, nor will it consider, allegations of lack of qualification or of impropriety made or initiated by any Vendor concerning another Vendor at any point during the competitive bid process. Inclusion of such information in the RFP 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.8. Revisions to the RFP and/or Responses**

- E8.1.** EGID shall at any time hereafter supplement the RFP, 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 unless approved by EGID Central Purchasing.
- E8.2.** During the evaluation period, the Vendors may be requested to present supplemental information clarifying its proposal. This supplemental information will be requested by EGID Central Purchasing and the information must be submitted in writing to EGID Central Purchasing and will be included as a formal part of the Vendor's proposal.

#### **E.9. Proposal Withdrawal**

- E9.1.** Before the proposal opening date and time, a submitted proposal shall be withdrawn by a written request signed by the proposer to the sole source contact.

#### **E.10. Incurred Expenses**



- E10.1.** EGID shall not be responsible for any costs a proposing Vendor may incur in preparing and submitting a proposal, making an oral presentation, providing a demonstration, or performing any other related activities.

## **E.11. Notification of Award**

- E11.1.** Notification will be made to the successful Vendor 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.

## **E.12. Schedule of Events**

- E12.1.** EGID reserves the right to alter these dates, issue amendments to this RFP, cancels, or re-issue this RFP at any time for any reason.

**E12.1.1.** Department of Central Purchasing Releases RFP: Friday July 11, 2014

**E12.1.2.** Claims Repricing Data Available: No later than Monday, July 14, 2014

**E12.1.3.** Notice of Intent to Bid/Questions: Thursday, July 17, 2014

**E12.1.4.** EGID Responds to Questions: Tuesday, July 22, 2014

**E12.1.5.** Proposals Due: Monday, July 28, 2014

**E12.1.6.** Negotiation Meeting(s) (if necessary): August, 2014

**E12.1.7.** Contract Award: September, 2014

**E12.1.8.** Implementation Period: September - December, 2014

**E12.1.9.** Intended Contract Effective Date: January 1, 2015

## **E.13. Minimum Requirements**

**The Vendor shall comply with all requirements in this section and provide proper documentation in its response to each Minimum Requirement. The Vendor's compliance with the requirements in this section shall be determined according to the sole unrestricted discretion of EGID. Proposals failing to meet Minimum Requirements shall not be considered.**

### **E13.1. Financial Information**

**E13.1.1.** The Vendor must demonstrate its financial stability by providing EGID with copies of audited or unaudited financial statements for the Vendor's three (3) fiscal years previous to the date of its response. EGID shall exercise its sole discretion in evaluating such information. The contracted Vendor shall continue to provide such financial information to EGID on an annual basis.

**E13.1.2.** If the Vendor is a wholly owned subsidiary of a parent organization, this requirement may be fulfilled by the audited financial statement of the parent organization, provided that the parent organization agrees to have the same legal and financial responsibilities under the contract as the Vendor.

### **E13.2. Experience**

**E13.2.1.** The Vendor shall document its experience in performing the requested solicitation specifications outlined in this RFP including the number of employer groups and covered lives participating in the proposed network for the past three calendar years.

**E13.2.2.** Describe the organization and its history, legal structure, ownership, affiliations and related Parties. Supply an organizational chart and resumes of key personnel.

### **E13.3. References**

**E13.3.1.** Provide contact names of at least three (3) non-affiliated clients, email addresses, mailing addresses, telephone numbers, fax numbers, types of services provided, and the number of members in the proposed network.

## **F. CHECKLIST**

### **F.1. Statement of Compliance**

- F.1.1.** Certain conditions may preclude the Vendor's strict compliance with a term specified in this RFP. The Vendor shall 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 Vendor is acceptable to EGID.

- F.1.2.** Any alternative method or exceptions to terms, conditions or other requirements in any part of the RFP 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 RFP. Otherwise, EGID shall consider that all items offered are in strict compliance with the RFP and the Vendor 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.
- F.1.3.** 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 Vendor's proposal, acceptability of such proposal, or other decisions concerning qualifications.
- F.1.4.** Each Vendor shall be required to submit a response to this Request for Proposal as it is written. Any Vendor who wishes to propose exceptions or alternatives to any term, condition, or requirement of this RFP 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 Consultant's original bid, the response shall 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 RFP, and if selected as a Vendor, the Vendor will be responsible for meeting all requirements of this RFP.**
- ☐ **The solicitation submitted to EGID contains deviations from the specifications of this RFP. The deviations are attached.**

**Name:** \_\_\_\_\_ **Company:** \_\_\_\_\_  
**Signature:** \_\_\_\_\_ **Address:** \_\_\_\_\_  
**Title:** \_\_\_\_\_  
**Phone:** \_\_\_\_\_ **Fax:** \_\_\_\_\_

**F.2. Completed Exhibit A and Exhibit B**

**F.3. Completed Claims Repricing Analysis**

**G. OTHER**

**G.1. Business Associate Agreement**

- G.1.1.** The Vendor, as a "Business Associate," agrees to the following 'Business Associate Agreement' between Oklahoma Management and Enterprise Services Human Capital Management Employees Group Insurance Division, hereafter known as "EGID", and the Vendor as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) statutes and regulations.

**G.2. Definitions:**

- G.2.1.** "Business Associate" shall have the meaning given to Business Associate under the Privacy Rule, including, but not limited to, 45 CFR § 160.103.
- G.2.2.** "Contract" shall mean the definition of contract as defined in Paragraph B.11
- G.2.3.** "Data Aggregation" shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR § 164.501.
- G.2.4.** "Designated Record Set" shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR § 64.501.
- G.2.5.** "Health Care Operations" shall have the meaning given to such term under the Privacy Rule including, but not limited to, 45 CFR § 164.501.
- G.2.6.** "HIPAA" means Health Insurance Portability and Accountability Act of 1996.
- G.2.7.** "HITECH" means the Health Information Technology for Economic and Clinical Health Act.
- G.2.8.** "Individual" shall have the same meaning as the term "individual" as used in 45 CFR § 164.501 and shall include a person who qualifies as a "personal representative" in accordance with 45 CFR § 164.502(g), and shall also mean the person or "individual" who is the subject of information that constitutes PHI, and has the same meaning as the term "individual" as used in 45 CFR § 160.103
- G.2.9.** "EGID" shall have the meaning given to the term 'Covered Entity' under the Privacy Rule including, but not limited to, 45 CFR § 160.103 for purposes of this Business Associate Agreement only and to the extent required by law.
- G.2.10.** "Privacy and Security Rule" shall mean the HIPAA Regulations codified at 45 CFR Parts 160 through 164.

- G.2.11.** "Protected Health Information" or "PHI" means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR § 160.103 [45 CFR §§160.103]
- G.2.12.** "Protected Information" shall mean PHI provided by EGID to or created or received by the Vendor on EGID's behalf.
- G.2.13.** "Required by Law" shall have the same meaning as the term "required by law" in 45 CFR §164.103
- G.2.14.** "Security Incident" shall have the same meaning as "security incident" in 45 CFR §164.304.

### **G.3. Obligations of the Vendor**

- G.3.1.** Permitted Uses. The Vendor shall not use Protected Information except for the purpose of performing the Vendor's obligations under the Contract and as permitted under the Contract. Further, the Vendor shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule if so used by EGID, except that the Vendor shall use Protected Information (i) for the proper management and administration of the Vendor, (ii) to carry out the legal responsibilities of the Vendor, or (iii) for Data Aggregation purposes for the Health Care Operations of EGID, and also as permitted in Section (3) of this Business Associate Agreement [45 CFR §§ 164.504(e)]
- G.3.2.** Permitted Disclosures. The Vendor shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule if disclosed by EGID, except that the Vendor shall disclose Protected Information (i) in a manner permitted pursuant to the Contract (ii) for the proper management and administration of the Vendor, (iii) as required by law, or (iv) for Data Aggregation purposes for the Health Care Operations of EGID and as permitted in the Business Associate Agreement. Unless agreed otherwise herein, to the extent that the Vendor discloses Protected Information to a third party, the Vendor must obtain, prior to making any such disclosure, (i) reasonable assurance from such third party that such Protected Information shall be held confidential and secure and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) an agreement from such third party to notify the Vendor of any breaches of confidentiality or security of the Protected Information, to the extent it has obtained knowledge of such breach. [45 CFR § 164.504(e)]
- G.3.3.** Appropriate Safeguards. The Vendor shall use appropriate safeguards and train its workforce according to Vendor procedures as necessary to prevent the use or disclosure of Protected Information; and ensure the integrity and availability of electronic protected information that the Vendor creates, receives, maintains or transmits. The Vendor shall implement administrative, technical and physical safeguards that are reasonable and appropriate to the size and complexity of the Vendor's operations and the nature and scope of its activities. [45 CFR § 164.504(e)] [45 CFR § 164.306(a)]
- G.3.4.** Vendor's Agents. The Vendor shall ensure that any agents, including subcontractors to whom it provides Protected Information, agree to the same restrictions and conditions that apply to the Vendor with respect to such PHI. [45 CFR § 164.504(e)(2)(ii)(D)] The Vendor shall maintain sanctions against agents and subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation. [45 CFR § 164.530(e)(1) and 164.530(f)]
- G.3.5.** Access to Protected Information. The Vendor shall make Protected Information, maintained in a Designated Record Set by the Vendor or its agents or subcontractors, available to EGID for inspection and copying within ten (10) days of a request by EGID to enable EGID to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524. [45 CFR § 164.504(e)(2)(ii)(E)]
- G.3.6.** Amendment of PHI. Within ten (10) days of receipt of a request from EGID for an amendment of Protected Information in a Designated Record Set or other record about an individual, the Vendor or its agents or subcontractors shall make such Protected Information, within its possession, available to EGID for amendment and incorporate any such amendment to enable EGID to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.526. If any individual requests an amendment of Protected Information directly from the Vendor or its agents or subcontractors, the Vendor must notify EGID in writing within five (5) days of the request. Any denial of amendment of Protected Information maintained by the Vendor or its agents or subcontractors shall be the responsibility of EGID. [45 CFR § --164.504(e)(2)(ii)(F)]
- G.3.7.** Accounting Rights. The Vendor agrees to implement a process to prepare an accounting of a member's Protected Information that is collected and maintained by the Vendor and its agents or subcontractors, subject to the exceptions, if any, to enable EGID to respond to a request for an accounting of disclosures. At a minimum, such information shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed; and (iv) a brief statement of purpose of the disclosure that reasonable informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. The Vendor and its agents or subcontractors shall make

the accounting available to EGID, within a reasonable time or the time allowed by the applicable Privacy Rule, to enable EGID to fulfill its obligations under the Privacy Rule, as amended. In the event that the request for an accounting is delivered directly to the Vendor or its agents or subcontractors, the Vendor shall process the request according to the current Privacy Rule (s) as amended, and forward a copy to EGID.

- G.3.8.** Governmental Access to Records. The Vendor shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining EGID's compliance with the Privacy Rule. [45 CFR § 164.504(e)(2)(ii)(H)] The Vendor agrees to notify EGID with the date it provides access to EGID Protected Information to the Secretary and a general description of any EGID Protected Information it provides to the Secretary.
- G.3.9.** Minimum Necessary. The Vendor and its agents or subcontractors shall only request, use and disclose the minimum amount of Protected Information necessary to accomplish the purpose of the request, use or disclosure. [45 CFR § 164.514(d)(3)]
- G.3.10.** Data Ownership. The Vendor acknowledges that the Vendor has no ownership rights with respect to the Protected Information.
- G.3.11.** Retention of Protected Information. The Vendor and its subcontractors or agents shall transmit the Protected Information described in the Contract to EGID on a scheduled basis according to Contract terms. The Vendor shall maintain all Protected Information that has not been previously transmitted to EGID for a period of six (6) years after the date it was created or the last effective date, whichever is later or transmit it to EGID for receipt and storage. [See, 45 CFR §§ 164.530 (j)(1)(2)]
- G.3.12.** Notification of Breach. During the term of this RFP, Vendor agrees to notify EGID within three (3) days of discovery of any use or disclosure of PHI not authorized by this agreement or the terms of the Contract, of which the Vendor becomes aware. Within thirty (30) days after the date discovered, Vendor agrees to report to EGID the following: the nature of the non-permitted use or disclosure; the EGID PHI used or disclosed; who made the non-permitted or violating use or received the non-permitted or violating disclosure; what corrective actions Vendor has taken or will take to prevent further non-permitted or violating uses or disclosures; and what Vendor did or will do to mitigate any deleterious effect of the non-permitted or violating use or disclosure. The Vendor shall also notify EGID of a finding or stipulation that the Vendor has violated any standard or requirement of the HIPAA Regulations or other security or privacy laws arising from any administrative or civil proceeding in which the Vendor has been joined. The Vendor agrees that EGID and the Vendor will investigate an actual breach; however, the Vendor shall coordinate with EGID to control the investigation or any notification procedures related to the incident. Vendor agrees and acknowledges CMS Guidance and special notifications to HHS and the CMS/EGID Account Representative in the event of a security or privacy breach of Medicare beneficiaries' protected health information.
- G.3.13.** With regard to implementation of the HIPAA Security Rule, 45 CFR Part 164, Subpart C, Oklahoma Statute 74 O.S. § 3113.1 and the occurrence of a Security Incident, Vendor agrees to report to EGID any successful (i) unauthorized access, use, disclosure, modification, or destruction of EGID electronic PHI or (ii) interference with Vendor system operations that contain EGID member information of which Vendor becomes aware. Vendor shall make such report to the EGID HIPAA Security Officer immediately after Vendor learns of any successful Security Incidents. To avoid unnecessary burden on either party, Vendor will only be required to report, upon EGID's request, attempted, but unsuccessful unauthorized access, use, disclosure, modification, or destruction Vendor electronic PHI or interference with system operations in Vendor information systems that involve EGID electronic PHI of which Vendor becomes aware, provided that EGID's request shall be made no more often than is reasonable based upon the relevant facts, circumstances and industry practices.
- G.3.14.** Audits, Inspection and Enforcement. Upon request, the Vendor agrees that EGID or its designee, shall conduct a reasonable inspection of Vendor facilities, systems, books, records, policies and procedures relating to the use or disclosure of Protected Information pursuant to the Contract for the purpose of determining whether the Vendor has complied with HIPAA; provided, however, that (i) the Vendor and EGID shall mutually agree in advance upon the scope, timing and location of such an inspection, (ii) EGID shall protect the confidentiality of all confidential and proprietary information of the Vendor to which EGID has access during the course of such inspection; and (iii) EGID shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by the Vendor. The fact that EGID inspects, or fails to inspect, or has the right to inspect, the Vendor's facilities, systems, books records, policies and procedures does not relieve the Vendor of its responsibility to comply with these terms of the Contract between Vendor and EGID. EGID's failure to detect deficiencies or failure to notify the Vendor or require the Vendor's remediation of any unsatisfactory practices does not constitute acceptance of such practices or a waiver of EGID's enforcement rights under the Contract between Vendor and EGID.

#### **G.4. Special Uses and Disclosures**

- G.4.1.** Vendor shall create, receive, use, or disclose PHI related to EGID Plan members only in a manner that is consistent with the terms of the Contract and the Privacy Rule, and only in connection with providing the services to EGID that are related to the administration of a provider network and/or identified in the Contract. Vendor shall de-identify EGID PHI, provided Vendor complies with 45 CFR §164.514(b); does not violate the Privacy Rule if done by EGID; and the Vendor provides written assurances to EGID regarding use and disclosure of the de-identified data.
- G.4.2.** Vendor shall, consistent with the Privacy Rule, use or disclose PHI that a Business Associate receives in its capacity as manager of prescription drug benefits and in its capacity as a Business Associate to EGID if such use relates to the proper management and administration of the Business Associate or to carry out legal responsibilities of the Business Associate under the RFP. "Legal responsibilities" of the Business Associate used herein shall mean responsibilities imposed by law or regulation, but (unless otherwise expressly permitted by EGID) shall not mean obligations the Vendor shall assume pursuant to contracts, agreements, or understandings other than the terms of the Contract.
- G.4.3.** Vendor shall engage in "data aggregation services" related to EGID in a manner permitted by the Privacy Rule at 45 CFR § 164.504(e)(2)(i)(B) and that complies with the terms of the Contract. "Data aggregation services" as used herein shall mean the combining of PHI by Vendor with PHI received by the Vendor in its capacity as a Business Associate of another covered entity, to permit analysis of data that relates to the health care operations of EGID or another covered entity.
- G.4.4.** Vendor shall use PHI to report violations of law to appropriate federal and state authorities, consistent with 45 CFR § 164.502.
- G.4.5.** Any right of the Vendor to create, use, or disclose PHI pursuant to this Agreement shall not include the right to 'de-identify' or aggregate PHI, except as provided for in this Business Associate Agreement or as expressly permitted by EGID or the Privacy Rule, provided that such use or disclosure would not violate the Privacy Rule if done by EGID.

## **G.5. Obligations of EGID**

- G.5.1.** EGID shall be responsible for using appropriate safeguards to maintain and ensure the confidentiality, privacy and security of PHI transmitted to the Vendor pursuant to this RFP, in accordance with the standards and requirements of the Privacy and Security Rules, until such PHI is received by the Vendor.
- G.5.2.** EGID shall notify Vendor of any limitation(s) in its notice of privacy practices of EGID in accordance with 45 CFR § 164.520, to the extent that such limitations shall affect Vendor use or disclosure of PHI, and shall also notify Vendor of any material change in privacy practices and procedures of EGID.
- G.5.3.** EGID shall notify Vendor of any changes in, or revocation of, permission by an Individual to use or disclose PHI to the extent such changes shall affect Vendor use and disclosure of PHI.
- G.5.4.** EGID shall notify Vendor of any restrictions in the use or disclosure of PHI that EGID has agreed to in accordance with 45 CFR § 164.522, to the extent such restriction shall affect Vendor use or disclosure of PHI. Prior to agreeing to any restriction, EGID will consult with Vendor regarding whether the proposed restriction will affect its functions, activities, or services under the Contract.
- G.5.5.** If EGID or Vendor receives a request from an Individual for confidential communication of PHI by alternative means or at alternative locations in accordance with 45 CFR 164.522(b), both EGID and Vendor will accommodate the request to the extent feasible
- G.5.6.** EGID shall not request Vendor to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if such use or disclosure were made by EGID.

## **G.6. Termination**

- G.6.1.** Material Breach. A breach by the Vendor of any material provision of the terms of the Business Associate Agreement Section of the Contract shall constitute a material breach of the Contract and provide grounds for immediate termination of the Contract by EGID pursuant to Termination Section of the Contract. [45 CFR § 164.504(e)(2)(iii)]
- G.6.2.** Reasonable Steps to Cure Breach. If EGID knows of a pattern of activity or practice of the Vendor that constitutes a material breach or violation of the Vendor's obligations under the provisions of the terms of the Business Associate Agreement Section, EGID shall provide Vendor with an opportunity to cure the breach and end the violation. If Vendor does not cure the breach with ninety (90) days after EGID notifies Vendor of the opportunity to cure, then, within the sole discretion of EGID, EGID shall take reasonable steps to cure such breach or end such violation, as applicable. If EGID's efforts to cure such breach or end such violation are unsuccessful, EGID shall either (i) terminate the Contract, if feasible or (ii) if termination of this the Contract is not feasible, EGID shall report the Vendor's breach or violation to the Secretary of the Department of Health and Human Services. [45 CFR § 164.504(e)(i)(ii)]
- G.6.3.** Compliance with the HITECH Act. Sections 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), and 164.316 (policies and procedures and documentation

requirements) of title 45, Code of Federal Regulations the Security Rule, shall apply to a Business Associate in the same manner that such sections apply to a Covered Entity. The additional requirements of Title XXXXIII of the "Health Information Technology for Economic and Clinical Health Act" or the "HITECH Act" contained in Public Law 111-005 that relate to security and that are made applicable with respect to covered entities shall also be applicable to a Business Associate and shall be and by this reference hereby are incorporated into this Business Associate Agreement.

**G.6.4.** Business Associate shall use and disclose Protected Health Information that a Business Associates obtains or creates only if such use or disclosure, respectively, is in compliance with each applicable requirement of Section 164.504(e) of Title 45, Code of Federal Regulations, the Privacy Rule, relating to business associate contracts. The additional requirements of Subtitle D of the "Health Information Technology for Economic and Clinical Health Act" or the "HITECH Act" contained in Public Law 111-005 that relate to privacy and that are made applicable with respect to covered entities shall also be applicable to Business Associate and shall be and by this reference hereby are incorporated into the Business Associate Agreement. Business Associate agrees that HIPAA and HITECH civil and criminal penalties for data security and privacy violations apply to Business Associate when acting on behalf of EGID to the extent the penalties apply to EGID.

**G.6.5.** Effect of Termination. Upon termination of the terms of the Business Associate Agreement for any reason, the Vendor shall return all EGID Protected Information to EGID that the Vendor or its agents or subcontractors still maintain in any form according to paragraph B.3 of the RFP.

## **H. PRICE AND COST**

**H.1.** In accordance with Oklahoma State Statutes, EGID shall compensate the Vendor on a monthly basis for services that have been performed over the preceding month, pursuant to the terms of this contract. All invoices and payments of invoices are subject to subsequent adjustments based upon proper documentation. EGID shall adjust each invoice based on costs it incurs with TPA to support the High Deductible Network Provider Network.

**H.2.** The Vendor shall provide EGID with a detailed administrative fee invoice. EGID shall pay uncontested administrative fee invoices in full within fifteen (15) days of the invoice date.

**H.3.** EGID intends for all services to be included in the administrative fee unless the fee and the service are specifically identified as a separate charge.

**H.4.** The Vendor shall propose the administrative fees for its services on a HealthChoice High Deductible Health Plan per primary member per month basis or as a flat fee.

<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
_____	_____	_____	_____	_____

**H.5.** If the Vendor is offering additional services at additional costs, those costs must be disclosed here.

## EXHIBIT A

### Network coverage by provider type for the State of Oklahoma

Use primary specialty only

Specialty	Description	# of Providers
A0	Acute Hospitals	
03	Allergy Immunology	
59	Ambulance Service Provider	
49	Ambulatory Surgery Center	
05	Anesthesiology	
06	Cardiology	
43	Cert Registered Nurse Anesthetist	
35	Chiropractic	
69	Clinical Laboratory	
68	Clinical Psychologist	
CO	Counselor	
07	Dermatology	
30	Diagnostic Radiology	
DF	Dialysis Facility	
93	Emergency Medicine	
46	Endocrinology	
10	Gastroenterology	
01	General Practice	
02	General Surgery	
98	Gynecological/Oncology	
82	Hematology	
A4	Home Health Agency	
47	Independent Diagnostic Testing Facility	
IF	Indian Facility	
IT	Infusion Therapy	
11	Internal Medicine	
LT	Long-term Care Hospital	
90	Medical Oncology	
51	Medical Supply Company	
13	Neurology	
14	Neurosurgery	
50	Nurse Practitioner	

16	Obstetrics/Gynecology	
18	Ophthalmology	
19	Oral Surgery	
20	Orthopedic Surgery	
04	Otolaryngology	
72	Pain Management	
22	Pathology	
37	Pediatric Medicine	
65	Physical Therapist	
97	Physician Assistant	
48	Podiatry	
26	Psychiatry	
92	Radiation Oncology	
74	Radiation Therapy Centers	
RF	Rehabilitation Facilities	
66	Rheumatology	
RH	Rural Health Clinics	
34	Urology	
VA	VA Hospital	



EXHIBIT B

Medical GeoAccess

				Urban/Suburban # within 10 miles							Rural # within 30 miles						
County	3 Digit ZIP Code	Urban/Sub- urban/Rural Designation	Total Participants	Hospitals (A0)	ASC (49)	Primary Care (01 and 11)	OB/GYN (16)	Pediatric (37)	Psychiatry (26)	Other Specialists	Hospitals (A0)	ASC (49)	Primary Care (01 and 11)	OB/GYN (16)	Pediatric (37)	Psychiatry (26)	Other Specialists
	Totals		89,742	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Oklahoma			88,896														
Adair County	744	R	21														
Adair County	749	R	648														
Alfalfa County	737	R	377														
Atoka County	745	R	655														
Beaver County	738	R	93														
Beaver County	739	R	167														
Beckham County	736	R	390														
Blaine County	730	R	73														
Blaine County	737	R	355														
Bryan County	734	R	73														
Bryan County	747	R	1,202														
Caddo County	730	R	1,183														
Canadian County	730	U	2,772														
Carter County	734	R	1,630														
Cherokee County	744	R	1,133														
Choctaw County	747	R	466														
Cimarron County	739	R	69														
Cleveland County	730	U	4,145														
Cleveland County	731	U	2,103														
Cleveland County	748	U	129														

Coal County	745	R	259														
Comanche County	735	U	3,325														
Comanche County	745	R	1														
Cotton County	735	R	266														
Craig County	743	R	560														
Creek County	740	U	979														
Creek County	741	U	23														
Custer County	730	R	530														
Custer County	736	R	626														
Delaware County	743	R	1,126														
Dewey County	736	R	203														
Dewey County	738	R	70														
Ellis County	738	R	129														
Garfield County	737	R	1,655														
Garfield County	746	R	9														
Garvin County	730	R	1,030														
Garvin County	734	R	151														
Garvin County	748	R	146														
Grady County	730	R	1,301														
Grant County	737	R	121														
Grant County	746	R	34														
Greer County	735	R	340														
Greer County	736	R	15														
Harmon County	735	R	132														
Harper County	738	R	149														
Haskell County	744	R	356														
Haskell County	745	R	33														
Haskell County	749	R	122														
Hughes County	745	R	116														
Hughes County	748	R	469														

Jackson County	735	R	927														
Jefferson County	734	R	100														
Jefferson County	735	R	264														
Johnston County	734	R	397														
Johnston County	745	R	9														
Johnston County	748	R	37														
Kay County	746	R	1,410														
Kingfisher County	730	R	58														
Kingfisher County	737	R	479														
Kiowa County	730	R	84														
Kiowa County	735	R	162														
Kiowa County	736	R	262														
Latimer County	745	R	463														
Le Flore County	745	U	280														
Le Flore County	749	U	1,902														
Lincoln County	740	R	142														
Lincoln County	748	R	554														
Logan County	730	R	759														
Love County	734	R	271														
Major County	737	R	316														
Major County	738	R	17														
Marshall County	734	R	552														
Mayes County	743	R	933														
McClain County	730	U	1,276														
McClain County	748	U	44														
McCurtain County	747	R	1,090														
McCurtain County	749	R	56														
McIntosh County	744	R	697														
McIntosh County	748	R	25														
Murray County	730	R	744														

Muskogee County	744	R	1,686														
Noble County	730	R	394														
Noble County	737	R	11														
Noble County	746	R	57														
Nowata County	740	R	175														
Okfuskee County	748	R	353														
Oklahoma County	730	U	5,298														
Oklahoma County	731	U	8,823														
Okmulgee County	744	U	793														
Osage County	740	R	807														
Osage County	746	R	113														
Ottawa County	743	R	871														
Pawnee County	740	U	343														
Pawnee County	746	U	24														
Payne County	740	R	1,737														
Pittsburg County	744	R	127														
Pittsburg County	745	R	1,802														
Pontotoc County	748	R	1,222														
Pottawatomie County	748	R	1,358														
Pushmataha County	745	R	591														
Roger Mills County	736	R	206														
Rogers County	740	U	1,035														
Seminole County	748	R	602														
Sequoyah County	744	U	74														
Sequoyah County	749	U	1,218														
Stephens County	730	R	387														
Stephens County	734	R	51														
Stephens County	735	R	1,097														
Texas County	739	R	524														

Tillman County	735	R	492														
Tulsa County	740	U	3,036														
Tulsa County	741	U	3,739														
Wagoner County	740	U	430														
Wagoner County	744	U	465														
Washington County	740	R	754														
Washita County	730	R	47														
Washita County	736	R	447														
Woods County	737	R	403														
Woods County	738	R	109														
Woodward County	738	R	925														
Out of State			846														
Alaska			1														
Alabama			3														
Arkansas			246														
Arizona			6														
California			9														
Colorado			22														
Connecticut			1														
District Of Columbia			1														
Florida			25														
Georgia			7														
Hawaii			1														
Iowa			4														
Idaho			3														
Illinois			6														
Indiana			1														
Kansas			120														
Louisiana			4														

Massachusetts			2
Maryland			5
Michigan			5
Minnesota			1
Missouri			71
Mississippi			3
Montana			2
North Carolina			6
North Dakota			1
Nebraska			1
New Jersey			1
New Mexico			8
Nevada			6
New York			3
Ohio			1
Oregon			4
Pennsylvania			5
South Carolina			2
South Dakota			1
Tennessee			4
Texas			247
Virginia			1
Washington			3
Wisconsin			2
West Virginia	-	-	1