

STATE OF VERMONT  
REQUEST FOR PROPOSALS

FOR

MEDICAID TECHNICAL ASSISTANCE

WITH

- **MANAGED CARE 1115 WAIVERS**
- **LONG-TERM CARE INITIATIVES**
- **SPECIAL EDUCATION**
- **BEHAVIORIAL HEALTH PROGRAMS**
- **INMATE HEALTH SERVICES**
- **MMIS EVALUATION MECHANISMS**
- **DAIL 1115 WAIVERS**
- **RESEARCH INTO HEALTH CARE CONCERNS**

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## SECTION 1: INTRODUCTION

### 1.1 PURPOSE

The purpose of this Request for Proposals (RFP) is to solicit proposals from qualified vendors to provide the Office of Vermont Health Access with assistance in developing, analyzing, or implementing:

- The requirements of the State's 1115 Global Commitment Waiver
- Dual-eligible and other long-term care initiatives;
- Special education initiatives;
- Behavioral health programs;
- Department of Corrections (DOC) inmate health services;
- Medicaid Management Information System;
- Department of Disabilities, Aging, and Independent Living (DAIL) 1115 waiver;
- Legislature initiated health care issues.

The successful bidder will be invited to negotiate a two-year contract to commence on or about February 14, 2008; the contract may be extended for up to two additional years. Procurement and contracting schedules are subject to modification.

### 1.2 BACKGROUND

The Office of Vermont Health Access (OVHA) under the Agency of Human Services (AHS) is responsible for administration of the State's Medicaid Program.

The State of Vermont executed a broad-based reform of its Medicaid program in 1995 through the implementation of a Section 1115(a) Research and Demonstration waiver program. This waiver created the "Vermont Health Access Plan" (VHAP). VHAP allowed for provision of health coverage for uninsured adults who were otherwise ineligible for health coverage under the Medicaid program. In addition, VHAP included the provision of a pharmacy benefit for elderly or disabled Vermonters who did not have this coverage under Medicare.

In 2005, the State of Vermont received approval from the Centers for Medicare and Medicaid Services (CMS) for a Section 1115(a) Research and Demonstration waiver known as the "Global Commitment to Health Waiver", which replaced and subsumed the VHAP waiver. This waiver allows the State to fundamentally restructure the Medicaid program within an aggregate cap on the amount of federal funding available for acute care services for the Medicaid population over the term of the waiver.

The goals of the waiver include:

- 1) To provide financial and programmatic flexibility to help maintain public health care coverage and provide for more effective services.

- 2) To lead in exploring new ways to reduce the number of uninsured.
- 3) To foster innovation within health care by focusing on health care outcomes.

The five-year waiver term began effective October, 2005 and allows the State to deviate from traditional federal Medicaid law and regulations in the following ways:

- 1) Imposes a global cap on the federal funds available under the waiver over the term of the program.
- 2) Establishes the OVHA as a managed care organization.
- 3) Provides flexibility to reduce benefits, increase cost sharing, and limit enrollment for optional and expansion population with some limits.

Within the Vermont Agency of Human Services (AHS), the waiver will allow cross-departmental initiatives to obtain the greatest value from scarce health care funds. The flexibility of the waiver allows the State to effectively manage public resources, provide the tools necessary to make health care programs fiscally sustainable, and improve the Vermont health care system.

Under the Global Commitment to Health Waiver, the OVHA is a Managed Care Organization (MCO), and must meet rules for Medicaid MCOs. The OVHA has intergovernmental agreements (IGA) with the AHS and AHS departments that make them part of the MCO within the framework of the Global Commitment to Health. The State will also use the Waiver's flexibility to integrate a Chronic Care Management Program (CCMP) into a system of care that can be used to benefit Medicaid beneficiaries, providers, and the OVHA.

On May 25, 2006, the State of Vermont Health Care Reform Plan was authorized into law with Acts 190 and 191 (Acts Relating to Health Care Affordability for Vermonters) which serves as the foundation to establish coverage for all Vermont citizens. The Health Care Reform Act included multiple initiatives which are designed to appeal to the spectrum of the uninsured. The new insurance products of the Catamount Health Assistance Programs include an affordable comprehensive commercial coverage and premium assistance on a sliding scale basis with household incomes under to 300% of the Federal Poverty Level (FPL).

On September 11, 2006, an amendment to the Global Commitment to Health Waiver was submitted to the Centers for Medicare and Medicaid Services (CMS) to include the Catamount Health Assistance Programs under the Global Commitment to Health Waiver. CMS however denied the request.

During July, 2007, CMS was notified of the State's intention to leave the 1115 waiver request open. In addition, the State provided further clarification to seek federal approval of its amendment to implement the Catamount Health Assistance Programs for individuals with household incomes up to 200 percent of FPL. The State expects to implement these new programs effective October 1, 2007. CMS subsequently approved inclusion of Catamount Health participants with incomes under 200% of FPL in the Waiver, which makes their expenditures eligible for federal funds.

On October 1, 2007, the State also reorganized state-based health coverage programs under the new name of Green Mountain Care. Green Mountain Care is made up of the family of low cost and free health coverage programs offered by the State and its partners. These state-based health programs offer quality, comprehensive health coverage at a reasonable cost. Monthly premium costs are based on the beneficiary's income and other costs may include co-payments and deductibles. State-based health coverage programs include Catamount Health, Dr. Dynasaur, Traditional Medicaid, and the Vermont Health Access Plan (VHAP). State-based prescription assistance programs include Healthy Vermonters, VPharm, VHAP Pharmacy, and VScript.

### **Catamount Health**

This new health care initiative was adopted by the State with the goal of reducing the total number of uninsured in Vermont. Catamount Health was directed to Vermont's 60,000 uninsured residents. The new insurance benefit package provides opportunities for uninsured citizens to have access to a health care plan. State assistance will be provided to individuals who fall at or below 300% of the FPL. Benefits include physician visits, check-ups and screening, hospital visits, emergency care, chronic disease care, prescription medicines, and more.

#### **Catamount Health Employer-Sponsored Insurance (ESI) Premium Assistance:**

Uninsured residents with income levels under 300% of FPL may be eligible for assistance in paying their Employer-Sponsored Insurance beginning November 1, 2007. However, the applicant must be screened to determine if it is more cost-effective to be enrolled in the VHAP program or to provide premium assistance for the ESI plan. Depending on the results, the applicant will be required to enroll in either VHAP or ESI. If the applicant is required to enroll in ESI, VHAP will "wrap around" the ESI plan so coverage and cost will be the same as VHAP.

If the uninsured applicant applies for assistance and is over income for VHAP, but under 300% of FPL, a cost-effective test between the ESI plan and Catamount Health will be performed. If the ESI plan with premium assistance is more cost-effective than premium assistance with the Catamount Health plan, the applicant will be required to enroll in ESI. For applicants who are not eligible for VHAP, there will be no VHAP "wrap around", but beneficiaries may receive assistance with any cost-sharing associated with treatment of chronic conditions.

#### **Catamount Health Premium Assistance Program:**

If the cost-effectiveness test between ESI and Catamount Health determines that Catamount Health with premium assistance is more cost-effective to the State than ESI, the applicant will be required to enroll in the Catamount Health Plan with assistance in paying the premium, in order to receive any assistance from the State. Uninsured applicants with income under 300% FPL and who do not have an ESI plan available will be eligible for Catamount Health premium assistance.

### **Dr. Dynasaur**

The Dr. Dynasaur program provides low-cost or free health coverage for children and teens under the age of 18. Eligibility is based on family income. Benefits include doctor visits, prescription medicines, dental care, in and outpatient hospital visits, vision care, mental health care, immunization and special services for women such as lab work, prenatal vitamins and more. Monthly premiums are based on family income. Covered populations include:

- Children under the age of 18 ineligible for traditional Medicaid living in families with incomes up to 225% of FPL.
- Uninsured children under the age of 18 with family income between 225% and 300% of FFL are covered by the State Children's Health Insurance Program (SCHIP) which follows Medicaid eligibility rules
- Underinsured children under the age of 18 living in families with incomes between 225% and 300% of FPL were covered using the original 1115 waiver.

### **Traditional Medicaid**

Medicaid provides low-cost or free coverage for low-income children, young adults under the age of 21, parents, pregnant women, caretaker relatives, people who are blind or disabled, and those individuals who are age 65 or older. There are no premiums associated with the traditional Medicaid program. Health care program populations include:

- Aged, Blind, or Disabled (ABD) and/or Medically Needy are 18 and older, categorized as aged, blind, or disabled but are not eligible for Medicare. This population includes SSI cash assistance recipients, working disabled, hospice patients, Breast and Cervical care treatments participants, or Medicaid/Qualified Medicare Beneficiaries (QMB), Medically Needy (i.e. income greater than PIL), and parents/caretakers relatives of minor children.
- Dual Eligibles are adults who are eligible for both Medicare and Medicaid. This group is blind, disabled, or as least 65 years of age and below the Vermont Medicaid protected income level (PIL).
- Covered adults are parents/caretaker relatives of minor children who include cash assistance recipients and individuals receiving transitional Medicaid and are in receipt of cash assistance.
- A Long Term Care (1115(a) Research and Demonstration waiver called "Choices for Care" serves a subset of ABD and/or Medically Needy population. Care for this population is managed by the Department of Disabilities, Aging, and Independent Living (DAIL) in conjunction with OVHA and DCF. "Choices for Care" is the state's second 1115(a) waiver program. Individuals are either in the Global Commitment waiver or Choices for Care waiver.

### **Vermont Health Access Program (VHAP)**

The Vermont Health Access Plan (VHAP) was designed the name for the original 1115(a) Research and Demonstration waiver. This program has been incorporated into the Global Commitment to Health Waiver. The goal of the program is to provide health care coverage for

adults who are uninsured and a pharmacy benefit for elderly or disabled individuals. Health care program populations include:

- Uninsured individuals age 18 and over with income up to 150% of FPL
- Uninsured individuals who are parent/caretakers with incomes up to 185% of FPL.
- Individuals who are eligible under ESI in regards to premiums and co-payments for some required services.

### **Pharmacy Prescription Assistance**

Healthy Vermonters provides only a discount on short-term and long term prescription medicines. There are no monthly premiums and eligibility is based on family income.

VPharm assists residents who are enrolled in Medicare D with paying for prescription medicines. This includes people age 65 and older as well as people of all ages with disabilities.

VHAP- Pharmacy assists residents age 65 and older and people of all ages with disabilities who are not enrolled in Medicare pay for eye exams and prescription medicines for short-term and long-term medical problems.

VScript assists residents age 65 and older and people of all ages with disabilities who are not enrolled in Medicare pay for prescription medicines for long-term medical problems. It also includes a requirement to pay a premium for coverage.

### **Summary of Projected Caseload for SFY '08**

Description of Populations	Caseload
Dual Eligibles	8,354
ABD and/or Medically Needy Adults	15,725
Long Term Care Waiver and/or Medically Needy	4,723
General Adults	7,921
VHAP	24,789
Catamount Health	2,755
Blind or Disabled and/or Medically Needy Children	3,371
General Children	52,910
SCHIP	4,070
Underinsured Children	1,520
Pharmacy Program	92
Pharmacy Prescription Assistance	14,906
Healthy Vermonters Pharmacy Program	8,841
Total	149,977

### **OVHA Management and Care Partners**

The State based health care programs are managed through a combination of OVHA staff and private vendors.

### **1. Health Care Reform Outreach and Enrollment Coordinator**

The Outreach and Enrollment Coordinator (a contracted position) works directly with staff, external stakeholders, and the Outreach and Enrollment Steering Committee to oversee the development and implementation of the new Green Mountain Cares state-base health care programs. Activities focus on the enrollment of the uninsured into the health care programs for which they are eligible.

### **2. Outreach and Enrollment**

GMMB, Inc. (a state contractor) has provided a comprehensive, integrated and aggressive strategy for education, outreach, and enrollment for the Green Mountain Care state-base health programs. GMMB collaborates with the Health Care Reform Outreach and Enrollment Coordinator to provide a unified marketing campaign with specialized messages for specific populations and broader audiences to promote all available insurance products and subsidies, including private market options. GMMB has provided consultation for website design for Green Mountain Care.

The website is: <http://www.greenmountaincare.org/>

### **3. Member Services**

The OVHA contracts with Maximus for member services. OVHA and Maximus collaborate to develop work plans, policies, procedures and systems to provide outreach, enrollment activities and member services to covered Medicaid beneficiaries. Maximus provides helpline operations, outreach and education to potential enrollees, and assistance to those inquiring about Green Mountain Care programs.

Statewide outreach and educational activities include the dissemination of eligibility, enrollment and health benefit program information, a Helpline, and information for beneficiaries and the public about assistance available through the Health Care Ombudsman Office.

The Maximus member services activities support and assist members enrolled in Vermont's health care programs. These activities include help in resolving billing issues, understanding service and eligibility notice letters issued by the State, answering questions regarding premium payments or status, explanation of prior authorization requirements and status, and education of beneficiaries on all other available services.

### **4. Eligibility: Department for Children and Families (DCF) – Economic Services Division (ESD)**

The Economic Services Division (ESD) of the Department for Children and Families (DCF) determines eligibility for Vermont's publicly funded health-care programs. This involves the collection, processing, and analysis of a wide range of information relating to program requirements. This includes data relating to the age, health, and family status of applicants, and information relating to the applicants' income, resources, and access to other health-insurance programs.

The health-care eligibility of those who also participate in other ESD-administered programs is determined by staff located in twelve district offices throughout the State. For those who only receive health-care benefits, eligibility is determined by workers in the centralized Health Access Eligibility Unit (HAEU) located in Waterbury, Vermont. In addition to initial determinations of eligibility, staff is responsible for the periodic review of eligibility status and the evaluation of changes in circumstances that may affect eligibility as they are reported by beneficiaries.

Among other work, ESD partners with DCF's Family Services Division (FSD) to determine the health-care eligibility of youth who are transitioning out of the State's custody in the child-welfare system. It is generally responsible for determining the health-care eligibility of all transition-age youth, as they migrate across various program boundaries.

ESD also has significant responsibility for the design and execution of outreach strategies that are aimed at encouraging and maintaining publicly-funded health-care enrollment.

The DCF/ESD website can be accessed at: <http://www.dcf.state.vt.us/>

## **5. Care Coordination (CCP)**

The Care Coordination Program operates within the Clinical Unit of OVHA provides intensive case management for the most complex Medicaid beneficiaries in accessing clinically appropriate health care services. The CCP program focuses on beneficiaries with the highest use of health care services who have chronic conditions (approximately 1,200 people). CCP supports providers by providing intensive case management to enrollees between visits to help achieve the plan of care and improve health outcomes and decrease inappropriate utilization of services.

## **6. Chronic Care Management Program (CCMP)**

The Chronic Care Management Program also operates within the Clinic Unit of OVHA. It identifies and assists Medicaid beneficiaries with chronic health conditions in accessing clinically appropriate health care information and services. The focus of CCMP is to coordinate the efficient delivery of health care to approximately 25,000 enrollees within 10 identified chronic conditions. CCMP will educate, encourage, and empower enrollees to appropriately self-manage their chronic conditions.

CCMP contracts with the Center for Health Policy and Research at the University of Massachusetts to provide scientific population selection and program monitoring services. CCMP also contracts with APS Healthcare, Inc. to provide Health Risk Assessment

Administration and Interventions Services.

### **Mental Health Initiative**

The Department of Mental Health (DMH) operates a program originally developed under Vermont's VHAP waiver that is now part of the Global Commitment to Health waiver. Services to severely and persistently mentally ill individuals are provided through an integrated delivery system for behavioral health and related services. Covered services are reimbursed on a case rate basis. The case rate system is comprised of multiple tiers with the reimbursement rate related to intensity and cost of services. There is also an option for an individualized dual outlier payment outside the case rate tier structure for clients with exceptional, catastrophic needs that cannot be financed through the case rate tier structure. The program provides an integrated public mental health approach for approximately 3,200 adults with serious mental illness.

The goal of this program is to integrate acute and long-term care, and to apply managed care techniques and coordination to more effectively manage service utilization and costs through an established network of community-based providers. Goals also include improving the quality of long term care services for adults with serious mental illness and services.

Currently, for adults with serious mental illness served within the public mental health system, all outpatient treatment, rehabilitation and support services are funded under the Global Commitment to Health Waiver and provided through a system of Community Mental Health Centers (CMHCs).

The State is in the process of developing a plan for replacement of the Vermont State Hospital, Vermont's only publically funded psychiatric hospital currently located in Waterbury. The goal of this planning effort is the continued transformation of the mental health service system towards a consumer-directed, trauma-informed, and recovery-oriented system of mental health care. The core of the plan is proposed new investments in the essential community capacities, along with reconfiguration of the existing 54-bed inpatient capacity at the Vermont State Hospital into a new array of inpatient, rehabilitation, and residential services for adults. The fundamental goal is to support recovery for Vermonters with mental illnesses in the least restrictive and most integrated settings.

### **Dual Eligible Projects**

The Department of Disabilities, Aging and Independent Living (DAIL), was granted approval of an 1115(a) Research and Demonstration waiver from the Centers for Medicare and Medicaid Service in the fall of 2005. This waiver is known as Choices for Care. Under the waiver, DAIL has a series of options that involve capitating both Medicare and Medicaid funding or only Medicaid funding for long term care Medicaid eligible beneficiaries.

One option is the Program for All Inclusive Care for the Elderly or PACE program. This model has permanent provider status at CMS and provides integrated care service delivery for frail

elderly (age 55 and above) at a PACE center. PACE VT centers include a center in the Burlington area that opened in 2007 and a center in the Rutland area that is anticipated to open in 2008.

Another option that is being explored is to expand the PACE model to long term care Medicaid beneficiaries age 18 plus and have the same type of integrated care team provide services in a "PACE center without walls". As part of this process organizations are being given the option to start as pre-paid inpatient health plan with capitation from Medicaid before moving to full PACE with Medicare and Medicaid capitation. This is being planned with funds the Department has from the Centers for Medicare and Medicaid Services Real Choices Systems Change Grant. This option is known as MyCare.

### **Special Education Initiative**

The Agency of Human Services works collaboratively with the Vermont Department of Education to provide school-based health care services to Medicaid-eligible children. The collaboration includes a streamlined and simplified claiming/administrative process for the State and the school districts, and the provision of financial incentives for a coordinated care approach to the delivery of school-based services.

The reimbursement methodology establishes payments, based on monthly case rates, encompassing a "bundle" of services tiered according to the amount and scope of services provided. Levels of care are assigned per care instructions contained in each Medicaid eligible child's Individualized Education Plan (IEP) or Individualized Family Service Plan (IFSP).

In the system, each child is assigned to a Level of Care based on the number and types of services provided on a weekly basis. Services contained in the IEP/IFSP are converted to units. The State developed Levels of Care according to total units of services rendered weekly. Four Levels of Care have been established.

The school Supervisory Union is responsible for assignment of Levels of Care and for assuring the State that services are provided in accordance with each student's IEP/IFSP. Medicaid reimbursement for school-based health services is equal to the rates established for each Level of Care. Case rates encompass all Medicaid-covered services, with the following exceptions:

- IEP Development and Evaluation
- Medical Equipment
- Routine School Nursing Services
- Extraordinary (Outlier) Cases
- Administrative Payments

The State reimburses Supervisory Unions for performance of certain functions related to education, outreach, monitoring and oversight of the Medicaid program. Payments are made on a monthly, per capita basis for each Medicaid-eligible child receiving services in the previous

month. The State provides Unions with an "LOC Assignment Template" that enables the Union to determine the appropriate Level of Care for each case according to services contained in the IEP and authorized by a medical professional.

The district performs the following administrative activities as part of the operation of the program:

- securing for all Medicaid-eligible special education children in the district, approval by the parent/guardian to participate;
- hiring and/or contracting with adequate numbers of qualified personnel to deliver the services required by the enrolled population;
- developing and maintaining IEPs and IFSPs for all children requiring such plans;
- obtaining medical provider authorization for medically necessary the services contained in the IEP/IFSP;
- assigning each enrolled child to the appropriate service/payment category based on the type, range and quantity of Medicaid-covered services called for in the IEP/IFSP, or in a State-designated treatment plan if the child does not have an IEP or IFSP (the State audits districts to ensure appropriate assignments are made);
- monitoring utilization of services to ensure consistency with the provisions of the IEP/IFSP or other plan; and
- conducting quality assurance monitoring activities including provider performance reviews.

Districts, with the cooperation of the schools, are also responsible for outreach and education necessary to inform families of potential eligibility for the Medicaid program.

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**SECTION 2 - SCOPE OF SERVICES****Task 1: Provide technical assistance to the State to meet Waiver requirements and in the implementation of the Global Commitment to Health 1115 waiver**

Activities include consultation and assistance to the State to meet waiver implementation requirements; assistance with data and report preparation; provision of post-implementation assistance and monitoring program progress; assistance with preparation of any required waiver amendment requests or extensions or preparation of any new required waivers, including revised budget neutrality terms; monitoring budget neutrality and preparing budget neutrality projections based on identified program changes; and participating in waiver negotiations with CMS. Each of these tasks is detailed in the following.

**Task 1a: Consultation and assistance to meet Waiver requirements and in the implementation of the Global Commitment to Health program**

Activities include consultation and assistance in meeting budget neutrality and reporting requirements established in waiver Terms and Conditions; assistance with forecasting the State Medicaid budget; and assistance in meeting other waiver Terms and Conditions.

Examples of tasks that can be performed include, but are not limited to:

- develop estimates of budget neutrality status and modeling budget neutrality cost projections compared to program expenditures, as necessary;
- assisting with the preparation of the State Medicaid budget for covered populations and services, as necessary;
- forecasting enrollments based on current policies (the Contractor will develop enrollment projections based on historical enrollments; assess the fiscal impact of actual enrollment estimates compared with projected estimates;
- assisting with evaluation and development of initiatives for the Medicaid managed care program, PC Plus and the Catamount Health insurance program;
- monitoring, revising as necessary and negotiating with CMS and affected AHS departments inter- governmental agreements (IGAs) that are required to implement the provisions of the waiver that establish the Vermont Medicaid program as a managed care organization (MCO);
- assisting with development and monitoring of program policies related to employer sponsored insurance;
- forecasting ESI program enrollments;
- project changes in enrollment based on proposed program or policy changes.
- advise on the performance of State administrative functions;
- provide technical assistance to the State in program monitoring and operations;
- assist in evaluating program policy options, including any fiscal impact, as requested; and
- assist in the development of provider rate changes and assessing the impact on budget neutrality, if requested.

**Task 1b: Assistance with data and report preparation**

The Contractor will assist the State in developing data reports necessary to support program monitoring and waiver compliance. Reports include historical and projected expenditures and caseload; management reports for Catamount Health or any component programs of the Global Commitment to Health waiver; and other reports that need to be forwarded to the Legislature, Agency of Human Services or CMS.

**Task 1c: Provide post-implementation assistance and assist in monitoring program progress**

The Contractor will assist the State with post-implementation activities of the Global Commitment to Health during the term of the contract. Assistance will include consulting on day-to-day decision-making and technical assistance in the development or revision of program policies. The Contractor will provide technical assistance to the State and its contractors, if necessary, to ensure effective and efficient operation of the program. Contractor will participate in various the AHS inter departmental implementation committees and work groups on an ongoing and regular basis, and assist in addressing issues related to implementation identified as a result of the committee process.

The Contractor will participate in follow-up activities with CMS, including development or amendments to the waiver protocol document, development or revision of reporting procedures and specifications, and development or revision of program monitoring tools across agencies.

Contractor will provide on-going assistance to ensure that the waiver is operating in compliance with the waiver's Terms and Conditions. Assistance will include monitoring reporting functions, preparation of documentation requested by CMS, and technical assistance in preparation for any CMS site reviews and audits.

**Task 1d: Provide assistance in responding to waiver or program options and CMS directives**

The Contractor will analyze new waiver, legislative opportunities or CMS directives made to the states. The contractor will as necessary develop enrollment/utilization projections; assess the fiscal impact or cost; develop estimates of budget neutrality impact as necessary; advise on responding or not responding to these new options; provide technical assistance to the State in program development and response to CMS directives; prepare applications or other required materials; assist in negotiations with CMS or other federal or private agencies.

**Task 2: Provide assistance in policy and program development of initiatives for dually eligible persons including the PACE demonstration program, and the Choices for Care waiver.**

The Contractor will make its resources available in any manner the State deems appropriate for implementing the State's PACE demonstration. As a part of this task, the Contractor will evaluate and assess the rates paid under the PACE demonstration on an annual basis and ensure that the rate development methodology and rates meet any applicable federal requirement

As requested by the State, Contractor will assist with any required data analysis or projections related to the Choices for Care 1115 waiver or CMS issues that will impact on that waiver.

**Task 3: Provide implementation assistance with the State's special education initiative.**

On an as needed and requested basis, the Contractor will provide on-going policy support and consultation related to Vermont's school-based health services program. As dictated by federal directives, the Contractor will assist the State in developing new policies, procedures, and claiming methodologies. The Contractor will provide assistance in negotiating and obtaining federal approval for revised program policies. The Contractor will assist with any necessary field testing, auditing and staff training to support necessary program revisions.

As requested the Contractor will assist the Department of Education in monitoring the school-based health services program, including: making recommendations for improving participation by eligible children or districts; responding to CMS policy initiatives; monitoring compliance and audit activities; providing technical assistance to staff on audit functions and in general ensuring that program requirements are met; and assisting in the preparation of any required documentation of Vermont's program requested from CMS.

As requested, the Contractor will develop an analytic database from which rates can be reviewed and revised. The Contractor shall submit necessary data and documentation to CMS if necessary to support and justify any revised rates that have been developed.

**Task 4: Provide assistance to Department of Mental Health in the development of behavioral health programs and services**

The Contractor will assist the State in preparing cost estimates for alternative models that are being evaluated for replacement of the Vermont State Hospital, the State's only state operated psychiatric hospital. This may include presentation of cost analyses to legislative or other bodies to describe and justify the estimates, and to respond to or provide additional analyses in answer to issues raised.

In collaboration with DAII, assist DMH in indentifying the opportunities to streamline monitoring and auditing procedures with the network of Designated Development Services and Mental Health Agencies.

Assist DMH and OVHA to analyze the use and cost of mental health services provided by non-DA Medicaid-enrolled providers to better and more efficiently service Vermonters.

**Task 4a: Provide assistance to DMH and DOE to improve effectiveness of the Success Beyond Six Program**

As requested, the Contractor will assist the DMH and DOE in developing plans to improve

the effectiveness of the Success Beyond Six program in Vermont's schools. This may include the development of alternative payment systems to fee-for-service billing and assisting in the design of new monitoring, compliance and audit activities to more fully realize the flexibility available in the Global Commitment to Health waiver.

**Task 5: Provide consultation and implementation assistance to the Vermont Department of Corrections (DOC) for inmate health services**

On an as needed and requested basis, the Contractor will provide on-going assistance to the State's prison health benefits program including identifying any opportunities for federal funding that will enhance program development for individuals requiring health services in Vermont's correctional system.

Contractor may assist with health services contract monitoring and compliance, provide analysis of financial and utilization reports or other reports, and assist in the development, evaluation, and revision of program policies and procedures. This also may include monitoring progress of the Correctional health services vendor in all multiple facets of service delivery, including staffing, network development, policy development and implementation, and administrative functions.

Contractor may work with DOC and other state agencies to support DOC Quality Assurance initiatives, and in particular ensuring that data collection and reporting are sufficient to support the QA functions.

**Task 6: Provide assistance to the State on an as needed and requested basis on systems enhancements, and data reporting and collection activities derived from the Medicaid Management Information System (MMIS) claims system**

On an as needed and requested basis, the Contractor will provide technical assistance to the State during the evaluation and implementation of any MMIS systems enhancements. Assistance may include support during the proposal evaluation and selection phases, development of program specifications, or implementation support. Contractor will provide technical assistance to ensure that data collection and reporting activities and methodologies support waiver and other key state functions.

**Task 7: Department of Disabilities, Aging and Independent Living (DAIL) Choice for Care 1115 Waiver**

On an as need and requested basis, the Contractor will provide technical assistance in support of the 1115(a) Choices for Care waiver. Specific tasks may include the following: program analysis and recommendations for changes in policy related to CMS or other issues; database development and financial modeling; development of waiver amendments and negotiation changes in waiver Terms and Conditions and budget neutrality parameters with CMS; assistance with amending the waiver protocol document; and evaluating and monitoring budget neutrality; evaluating expanded service options; reviewing the adequacy of program monitoring criteria and

procedures; and assisting in meeting any specified waiver reporting requirements.

**Task 8: Conduct research and recommend revisions regarding areas of health care concern conveyed through Agency of Human services or legislative initiatives**

On an as needed and requested basis, Contractor will provide technical assistance on legislative initiatives and other health-related initiatives as requested by the State. As necessary, Contractor will provide additional on-site support to the State during the legislative session in order to effectively and efficiently respond to proposed legislative initiatives.

**Task 9: Department of Disabilities, Aging and Independent Living – Real Choices Grant Support**

As per of President Bush’s “New Freedom Initiatives” which promotes the goal of community living for individuals with disabilities and long term illnesses, the State of Vermont, Agency of Human Services was awarded a grant from the U.S. Department of Health and Human Services to reform the State’s long-term support systems. Under the *Real Choices Grant*, the State of Vermont plans to redesign and to integrate the financing and delivery of acute care and long-term services for older individuals and individuals with physical disabilities.

The Contractor will participate on an as needed basis in the Core Planning Team which will focus on comprehensive systems reform. As part of the core planning team assistance will be provided in assessing the impact the initiative may have on the State’s fiscal issues. The Contractor will provide technical assistance and data analysis in support of the grant. The Contractor will assist with contractor procurement, including drafting of contract specifications, contractor evaluation and selection, and rate development.

## **SECTION 3: GENERAL RFP AND PROCUREMENT INFORMATION**

### **3.1 INTRODUCTION**

Prospective bidders are expected to carefully examine all documentation, schedules, and requirements stipulated in this RFP and respond to each requirement in their proposals in the format prescribed. The State is seeking bidders who demonstrate a commitment to meeting the health care needs of its citizens.

*The State reserves the right to award a contract (or multiple contracts) covering the entire Scope of Work, or any part thereof, if the best interest of the State shall be so served.*

### **3.2 CONTRACT PERIOD**

The contract(s) resulting from this RFP is expected to commence on February 14, 2008. The actual contract period will be determined by the State's acceptance of the deliverable/milestone schedule included in the selected bidder's proposal.

### **3.3 RFP CORRECTIONS AND CHANGES**

The State reserves the right to:

- Modify any date or deadline appearing in this RFP.
- Issue clarification notices, addenda, alternative RFP instructions, forms, and/or other relevant documentation.
- Waive any RFP requirement or instruction for all bidders if the State determines that the requirement or instruction was unnecessary, erroneous, or unreasonable.
- Extend the proposal submission deadline.
- Overlook or correct any clerical or mathematical errors occurring in this RFP.

Bidders shall notify the State *immediately* to report a known or suspected problem with this RFP. Bidders who fail to report a known or suspected problem with this RFP shall submit a proposal at their own risk.

### **3.4 TITLES NOT CONTROLLING**

Section titles are used for the purpose of facilitating ease of reference only and shall not be construed to infer a contractual construction of language.

### **3.5 PROCUREMENT STRATEGY**

The State's fundamental commitment is to contract for results and "best value". This RFP primarily describes the State's requirements and desired results. The responsibility for how the Scope of Work requirements and the State's desired results are to be achieved rests with the successful bidder. "Best value" is the optimum combination of economy and quality that is the

result of fair, efficient, and practical business processes that meet the requirements and the State's desired results as set forth in this RFP.

### 3.6 PROCUREMENT SCHEDULE

The State plans to adhere to the procurement schedule shown below. The State reserves the right to modify any date or deadline appearing in this RFP.

ACTIVITY	DATE
RFP Issued	November 6, 2007
Closing Date/Time for Receipt of Written Questions/Letter of Intent	November 26, 2007 4:00 pm (EST)
Target Date for Release of State Responses to Written Questions	December 4, 2007
Closing Date/Time for Receipt of Proposals	January 3, 2008 4:00 pm (EST)
Public Bid Opening	January 3, 2008, 4:15 pm (EST)
Target Date for Selection of Contractor	January 18, 2008
Contract Start Date	February 14, 2008

### 3.7 ISSUING AUTHORITY

The State of Vermont is issuing this RFP.

### 3.8 LEGAL BASIS

The procurement process for this RFP shall be conducted in accordance with applicable procurement policies and procedures established by the State of Vermont.

### 3.9 ISSUANCE AND AMENDMENTS

State officials have reviewed this RFP. The contents represent the best statement of the Scope of Work requirements and needs of the State. Final approval of the contract rests with the State. The State reserves the right to amend the RFP at any time prior to the proposal due date by issuing written addenda. Written addenda to the RFP will become part of the contract. All amendments and releases will be posted to:

<http://ovha.vermont.gov/budget-legislative/rfps-issued-2007>

The State will make no attempt to contact bidders with updated information. It is the sole responsibility of the bidder to periodically check the above-cited web site for the latest details.

### 3.10 PROCUREMENT OR ISSUING OFFICER

The following person is the point of contact from the date of issuance of this RFP until the selection of the successful bidder:

Deborah Stempel, Contract Administrator  
Office of Vermont Health Access  
312 Hurricane Lane, Suite 201  
Williston, Vermont 05495  
Telephone: 802-879-5926 / E-mail: Deborah.Stempel@ahs.state.vt.us

### 3.10.1 Restrictions on Communications

From the issue date of this RFP until a contract is announced, bidders are not allowed to communicate with State staff regarding this procurement (i.e., RFP). The only exceptions to this restriction are:

1. The designated contact person named in applicable RFP sections by the type of communication described (e.g., via email).
2. State staff present at the Bidders' Conference for the purpose of addressing questions.
3. State staff involved in oral presentations

Any attempt by a bidder to contact State staff, other than under the conditions cited above, may result in rejection of the proposal submitted by that bidder.

Note: Nothing within this requirement shall be interpreted to prevent bidders from contacting State staff regarding its general procurement process or with complaints. Contact with State staff is also permitted in the performance of existing contracts or as allowed in response to other, non-related competitive solicitations.

### 3.11 MANDATORY LETTER OF INTENT

A Letter of Intent to submit a proposal in response to this RFP is **mandatory**. Letters of Intent will not become public information until after the Closing Date/Time for Receipt of Proposals. The submission of a Letter of Intent is not binding on prospective bidders to submit a proposal. Prospective bidders not submitting a Letter of Intent are **not** permitted to bid on this RFP.

Letters of Intent must include the name of the company, the name of the primary contact, the primary contact person's title, telephone and fax numbers, mailing and email addresses.

Letters of Intent are due by **4:00 pm (EST) on November 26, 2007** and must be submitted via letter, fax or email to:

Deborah Stempel, Contract Administrator  
Office of Vermont Health Access  
312 Hurricane Lane, Suite 201  
Williston, Vermont 05495

Fax: 802-879-5919 / E-mail: [Deborah.Stempel@ahs.state.vt.us](mailto:Deborah.Stempel@ahs.state.vt.us)

### 3.12 WRITTEN QUESTIONS

Written questions regarding this procurement (i.e., RFP) are due by **4:00 pm (EST) on November 26, 2007**. Written questions received later than the deadline will not be answered. Written questions must be submitted via letter, fax or email to:

Deborah Stempel, Contract Administrator  
Office of Vermont Health Access  
312 Hurricane Lane, Suite 201  
Williston, Vermont 05495  
Fax: 802-879-5919 / E-mail: [Deborah.Stempel@ahs.state.vt.us](mailto:Deborah.Stempel@ahs.state.vt.us)

The State assumes no liability for assuring accurate/complete mail/fax/email transmission/receipt and will not acknowledge receipt except by addressing the question. The State may consolidate and/or paraphrase questions for clarity. The target date for website posting of the State's written responses is December 4, 2007.

### 3.13 ORAL PRESENTATIONS

At the State's option, oral presentations by selected bidders may be required. Bidders will be notified if an oral presentation is required. Bidders may be requested to provide presentation of the services offered in their proposal. Bidders are responsible for all costs associated with an oral presentation. The State will not compensate the bidder.

Note: Bidders should present complete, comprehensive proposals without relying on oral presentations, because the State reserves the right to award a contract without further discussions.

### 3.14 TECHNICAL REQUIREMENTS

Bidders must provide access to essential technical expertise at the bidder's home office or other locations that are pertinent to the Scope of Work requirements. These staff should be available to the State and to the State's agents.

### 3.15 COLLECTION AND CORRECTION OF BIDDER INFORMATION

The State reserves the right to:

1. Request a bidder to submit additional documentation during or after the proposal evaluation process.
2. Collect omitted documentation from bidders.
3. Waive any immaterial deviation or defect as may be adjudged by the State in any proposal and allow the bidder to remedy such defects.

4. Overlook, correct or require a bidder to remedy any obvious clerical or mathematical errors occurring within their Narrative or Cost Proposals.
5. Accept Cost Proposal errors that result in a decrease in bidder costs.
6. Request that bidders with Cost Proposals that contain errors resulting in an increase in cost accept the corrected costs or withdraw their proposal.

Bidders' failure to adhere to the State's requests may result in the bidder proposals being determined unresponsive and rejected from further consideration.

## **SECTION 4: PROPOSAL SUBMISSION REQUIREMENTS**

### **4.1 REJECTION OF PROPOSALS**

A proposal may be rejected for failure to conform to the requirements included in this RFP. Proposals must be responsive to all requirements of this RFP to be considered. The State reserves the right to:

1. Reject any and all proposals
2. Waiver minor irregularities
3. Request clarifications from any or all bidders
4. Cancel this RFP

### **4.2 ACCEPTANCE OF PROPOSALS**

Proposals must be responsive to RFP requirements to be considered for a contract award. The State will receive proposals properly submitted. After receipt of proposals, the State reserves the right to sign a contract, with or without further negotiation, based on the terms, conditions, and premises of this RFP and the proposal of the selected bidder.

### **4.3 COST OF PREPARING PROPOSALS**

Costs incurred by bidders during the preparation and subsequent submission of their proposals, and for other procurement-related activities (e.g., travel for oral presentations) will be the sole responsibility of the bidders. The State will not reimburse bidders for any such costs.

### **4.4 DISPOSITION OF PROPOSALS**

All submitted proposals shall become a matter of public record. If the proposal includes material that is considered by the bidder to be proprietary and confidential under Vermont law, the bidder must:

- Clearly designate, with highlighter functions, each section of the proposal which is “proprietary” and/or a “trade secret”.
- Provide in the Transmittal Letter written justification with sufficient grounds as to why each requested exemption should not be released to the general public, including prospective harm to the bidder’s competitive position if the identified material were to be released. Include which part of the Vermont law applies to each exemption.

The State will not consider proprietary and confidential any material, even if so marked, unless specific and sufficient justification is presented in the Transmittal Letter. Under no circumstances will the entire Narrative Proposal or Cost Proposal be considered proprietary and confidential.

All materials submitted by bidders become the property of the State of Vermont, which is under

no obligation to return any of the materials submitted in response to this RFP. The State of Vermont shall have the right to use all system concepts, or adaptations of such concepts, contained in any proposal. This right will not be affected by selection or rejection of the proposal. The successful proposal will be incorporated into the resulting contract and will become a matter of public record.

#### **4.5 PROPOSAL WITHDRAWAL**

Prior to the proposal due date, a submitted proposal may be withdrawn by submitting a written request for its withdrawal, signed by the bidder's authorized agent, and sent to Deborah Stempel, Office of Vermont Health Access, at the address cited in RFP section 3.11.

#### **4.6 PROPOSAL VALIDITY DATES**

Proposals must be valid for 180 business days following the Close Date of this RFP. This period may be extended by written mutual agreement between the bidder(s) and the State. Any proposal submitted shall not be available for disclosure until a contract is executed between the successful bidder and the State.

#### **4.7 SUBMISSION PROCEDURE**

Narrative Proposals must be packaged separately from Cost Proposals, and each must be clearly identified on the outside of the package as follows:

Narrative Proposal - the outside of the package containing the Narrative Proposal shall be marked "**Medicaid Technical Assistance RFP Narrative Proposal – Open by Addressee Only**" and include one full set of the Narrative Proposal clearly marked "original" and shall be accompanied by an additional five hardcopies and one copy on CD-ROM (Microsoft Word). The Narrative Proposal and each of its copies shall include all materials, transmittals, and agreements specified in this RFP.

Cost Proposal - the outside of the package containing the Cost Proposal shall be marked either "**Medicaid Technical Assistance RFP Cost Proposal – Open by Addressee Only**" and include one full set of the Cost Proposal clearly marked "original" and shall be accompanied by an additional five hardcopies and one copy on CD-ROM (Microsoft Word).

All proposals must be physically received no later than January 3, 2008 at 4:00 pm (EST) by:

Deborah Stempel, Contract Administrator  
Office of Vermont Health Access  
312 Hurricane Lane, Suite 201  
Williston, Vermont 05495

No exceptions will be made for late proposals. The method of delivery is at the discretion of the

bidder and is at the bidder's risk as to timeliness and compliance. Proposals may **NOT** be oral, faxed, or emailed. The time of receipt at the designated location is the time-date stamp on the proposal wrapper or other documentation of receipt maintained by the State.

#### 4.7.1 Public Bid Opening

A public bid opening will occur on January 3, 2008 at 4:15 pm (EST) at:

Office of Vermont Health Access  
312 Hurricane Lane, Suite 201  
Williston, Vermont 05495

#### 4.8 NARRATIVE PROPOSAL FORMAT REQUIREMENTS

The Narrative Proposal shall present a complete description of the bidder's plan to meet the requirements of this RFP. In submitting a proposal in response to this RFP, a bidder agrees to comply with the terms and conditions found in the standard contract provisions and contract attachments C, E, and F (included as Appendix 1 of this RFP). If the use of a subcontractor is proposed, the appropriate certification forms shall be completed and submitted relative to that subcontractor(s).

Narrative Proposal should adhere to the following requirements:

1. Maximum of 25 pages – appendices (#7-#11 in RFP section 4.8.1) are not factored into the 25 page maximum
2. Appendices may be attached - each appendix must be referred to in the body of the Narrative Proposal.
3. One-inch margins at the top, bottom and both sides
4. Font size not less than 12 points
5. Each page must have a footer, which includes the name of the bidder, the page number and the phrase “**Medicaid Technical Assistance Narrative Proposal**”
6. Double-sided, double-spaced text
7. White, bond paper, 8 ½ inch by 11 inch
8. Three-hole punched and bound in a way that enables easy page removal
9. All original documents that require a signature must be signed in ink, in a color other than black. *The original Transmittal Letter must be enclosed in with the “original” Narrative Proposal.*
10. Place all original signed documents in the Narrative Proposal marked “Original”
11. The extra proposal sets may reflect photocopy signatures
12. Figures and tables must be numbered and referenced in the text by that number. They should be placed as close as possible to the referencing text.

#### 4.8.1 Organization of Narrative Proposal

The State is interested in Narrative Proposals that are organized, comprehensive and offer sound solutions. Specificity is required. Vague explanations will result in reduced proposal evaluation scores. The burden is on the bidder to be direct, clear and complete. The Proposal Evaluation Committee will not search for answers (“dig and ferret”).

Bidders are required to organize their Narrative Proposal as follows with tab distinctions and clear section headings:

1. Transmittal Letter
2. Table of Contents
3. Bidder Information Sheet(s)
4. Executive Summary
5. Capability & Relevant Experience
6. Work Plan with Staff Assignments and Schedule
7. Technology Requirements
8. Appendix 1: Organization Chart
9. Appendix 2: References
10. Appendix 3: Financial Statements
11. Appendix 4: Completed Vermont Tax Certification
12. Other Appendices of the bidder’s choosing

Content to be included under each of these headings is described below. Each section within the Narrative Proposal must include content items listed under the respective heading, as the evaluation of proposals shall be done on a section-by-section or functional area basis. Any proposal that does not adhere to these requirements may be deemed non-responsive and rejected on that basis.

No cost information related to this RFP shall appear in the Narrative Proposal; inclusion of such information may constitute grounds for rejection.

#### **4.8.2 Transmittal Letter**

***The transmittal letter must be submitted on the bidder’s official letterhead and signed in ink by an official authorized to bind the bidder. The Transmittal Letter must include statements that:***

1. The bidder does not discriminate in its employment practices with regard to race, color, religion, age (except as provided by law), gender, marital status, sexual orientation, political affiliation, national origin, or disability.
2. No cost information has been included in the Narrative Proposal.
3. Certify the Cost Proposal was arrived at without any conflict of interest, and that it will be firm and binding for 180 business days from the proposal due date.
4. Identify that all addenda to this RFP have been reviewed by the bidder. If no addenda have been reviewed, a statement to that effect should be included.
5. The bidder agrees to adhere to all requirements set forth in this RFP. If the bidder’s

- proposal deviates from these requirements, the Transmittal Letter should reference those items identified as an objection and propose an alternate agreement. The State reserves the right to reject any proposal containing such objections or require rescission before contract acceptance.
6. The bidder has read, understands and unconditionally accepts all requirements, responsibilities, and terms and conditions in this RFP.
  7. The bidder agrees that any lost or reduced Federal Financial Participation (FFP), resulting from bidder deviation from specifications and requirements, shall be accompanied by equivalent reductions in State payments to the contractor.
  8. The Bidder accepts the provisions of Contract Attachments C, E, and F (Appendix 1 of this RFP).

If any pages within the proposal are marked “Proprietary” and/or a “Trade Secret”, include justification and information in the Transmittal Letter.

#### **4.8.3 Table of Contents**

Properly identify each section and its contents. Paginate each section and subsection.

#### **4.8.4 Bidder Information Sheet(s)**

A Bidder Information Sheet(s) must include the following information:

1. Full name and mailing address of the bidder and, if applicable, the branch office or other subordinate entity that will perform, or assist in performing, the work described in the proposal
2. Street address (for FedEx or other mail service)
3. Indicate whether an individual, partnership, or corporation; if as a corporation, include the state in which it is incorporated.
4. Federal ID Number (or if an individual, the bidder’s social security number)
5. Name, title and contact information (i.e., mailing address, telephone and fax numbers, email address) of the person who would sign the contract
6. Name, title and contact information (i.e., mailing address, telephone and fax numbers, email address) of the company contact person (if different)
7. For each key person: name, title, relevancy to this proposal and contact information (i.e., mailing address, telephone and fax numbers, email address)
8. Identify all owners and subsidiaries that own more than five (5) percent of the bidder
9. Indicate the location from which the RFP requirements will be performed
10. List all subcontractors with information #1, #3, #4, #7, #8, #9 cited above

#### **4.8.5 Executive Summary**

The Executive Summary shall condense and highlight the contents of the Narrative Proposal in such a way as to provide the Evaluation Committee with a broad understanding of the entire Narrative Proposal. The Executive Summary shall not exceed five pages in length.

#### **4.8.6 Capability and Relevant Experience**

The Capability and Relevant Experience section shall include, for the bidder and each subcontractor (if applicable): details of the background of the bidder, its size and resources, details of relevant experience, overall approach, and a list of all Medicaid/Medicaid-related, Health/Health-related, Insurance/Insurance-related projects from January 2000 through the present date.

#### **4.8.7 Work Plan with Staff Assignments and Schedule**

The Work Plan with Staff Assignments and Schedule must be responsive to this RFP, logical in the sequence of events, provide sufficient detail for review, and should address the Scope of Work requirements in accordance with deliverables/milestones. The Work Plan with Staff Assignments and Schedule should allow for State review and approval of each deliverable/milestone.

Note: selected bidder Work Plan with Staff Assignments and Schedule are subject to modification during the negotiation process with the final Work Plan subject to approval from the State.

At a minimum, shall address the following list as applicable to the Work Plan with Staff Assignments and Schedule.

1. Understanding of, response and approach to completing Scope of Work requirements
2. Utilization of staff resources by the number of hours required to accomplish each deliverable/milestone
3. Approach ensure quality health care, fiscal integrity, and adherence to state and federal requirements
4. Use of subcontractors
5. Efficiency mechanisms
6. Assumptions or constraints in developing and completing the Work Plan with Staff Assignments and Schedule
7. Discussion of how the Work Plan with Staff Assignments and Schedule provides for handling of potential and actual problems
8. Description of how bidder's approach clearly and unambiguously accommodates the Scope of Work requirements
9. Propose and describe any unique or innovative method to meet the Scope of Work requirements
10. If applicable, bidders must clearly describe the technologies and approach that they will use to support the Scope of Work, and any expectations regarding technology support to be provided by the State.

#### **4.8.8 TECHNOLOGY REQUIRMENTS**

Proposals must meet the following requirements:

1. Describe any technologies, including document and file formats, that will be used to perform the scope of work.
2. Describe how any electronically stored work completed for the State will be backed-up and otherwise protected.
3. Describe any perceived need to access and store confidential data and how that data will be secured.
4. The bidder must provide its own personal computers for this engagement. Vendor must certify that all its equipment is virus free and virus protected and describe its approach to ensuring that such is the case.
5. Describe any technology support expected of the State, including internet access. Electronic communication and access to GovNet and any other State systems will be controlled and established by the State.

Bidder must state any related limitations or special requirements in this area, which may impact the rating of its proposal.

#### **4.8.9 Appendix 1: Organization Chart**

The bidder should include an Organization Chart that depicts bidder staff (with titles) who will be assigned to perform the Scope of Work. If additional staff is required for various projects during the contract period, the bidder should outline its plans and resources for adapting to such situations. The bidder should also address plans to ensure staff longevity for consistency throughout the contract period.

#### **4.8.10 Appendix 2: References**

Narrative Proposals must include at least three (3) references that are pertinent to the Scope of Work requirements. For each reference, the bidder must provide:

- Customer name
- Most senior contact person's name (with title, phone number and email address) most familiar with the bidder's performance
- Brief description of work performed
- Contract term

Additional references may be required, if requested by the State.

##### **4.8.10.1 State of Vermont Contracts**

Bidders must list of any and all contracts between the bidder and any State of Vermont government entity since January 1, 2004. For each contract, bidders must provide:

- Customer name
- Most senior contact person's name (with title, phone number and email address) most familiar with the bidder's performance
- Brief description of work performed
- Contract term
- Proposed cost/actual cost
- For expired contract, provide a reason for termination

#### **4.8.11 Appendix 3: Financial Statements**

Bidder must:

1. Provide annual audited financial reports for the past three (3) years for the bidder and any subcontractor.
2. If the bidder is an affiliate of another organization, submit the financial information for the parent company and describe the relationship.

#### **4.8.12 Appendix 2: Vermont Tax Certification**

The bidder must include a completed Vermont Tax Certification in its Narrative Proposal.

#### **4.8.13 Other Appendices of the Bidder's Choosing**

Bidders may include other appendices of their choosing that are relevant to the body of their Narrative Proposal.

### **4.9 COST PROPOSALS**

Cost proposals should include the total bid price plus the specific elements comprising that price. The bidder is free to format the cost proposal in a manner most suitable to their contract proposal. However, cost proposals should itemize the basis for pricing of services, including the total price, the estimated number of total staff hours by task and the rate of compensation of each staff member.

The State expects that the bidder will provide, on-site, a senior staff person with experience in managed care, special education payment systems, Title XXI program and 1115 Waivers, and other areas cited in Section 1.1. On-site services may require an average two days per week from the commencement of the contract. The cost proposal should identify the individual who will provide these services.

There will be no opportunity for bidders to revise their costs and there will not be a Best and Final Offer (BAFO) process. Bidders are strongly encouraged to carefully calculate and propose their final costs.

## **SECTION 5: CONTRACT INFORMATION WITH TERMS AND CONDITIONS**

In addition to the required provisions that relate to all State contracts, this section sets forth additional provisions the bidders should be aware of in preparing their response to this RFP.

In addition to the provisions of this RFP and the selected proposal, which shall be incorporated by reference in the contract, any additional clauses or provisions required by Federal or State law or regulation in effect at the time of execution of the contract will be included.

### **5.1 CONTRACT AWARD NOTICE**

All bidders will be notified of the contract award when the contract is executed by both parties. If the awarded bidder fails to execute the contract, the State may elect to cancel the award and begin the award process with the second highest ranked bidder. The procurement process pertinent to this RFP shall not be officially closed until either a contract is executed or the State otherwise moves to terminate procurement.

### **5.2 CONTRACT ADMINISTRATOR**

Upon State approval of a contract, and following execution of said contract, the State shall direct the selected bidder to administer the contract on a day-to-day basis during the term of the contract. However, administration of any contract resulting from this RFP implies no authority to change, modify, clarify, amend, or otherwise alter the costs, terms, conditions, and specifications of such contract. That authority is retained by the State.

The Contract Administrator/Project Manager is:

Joshua Slen, Director  
Office of Vermont Health Access  
312 Hurricane Lane, Suite 201  
Williston, VT 05495  
Telephone: (802) 879-5901

An alternative Contract Administrator/Project Manager may be designated by the State.

### **5.3 COST LIABILITY**

Vermont assumes no responsibility or liability for costs incurred by the bidder prior to the signing of any contract resulting from this RFP. Total liability of the State is limited to the terms and conditions of this RFP and any resulting contract.

#### **5.4 CONTRACTOR RESPONSIBILITIES**

The State shall consider the primary contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the anticipated contract. The State reserves the right to approve subcontractors and to require the primary contractor to replace subcontractors found to be unacceptable. The contractor is entirely responsible for adherence by the subcontractor to all provisions of the contract.

The contractor and any subcontractors must commit to the entire contract period, unless a change of subcontractors is specifically agreed to by the State.

The contract between the contractor and the State will not be assignable to another party without prior written permission from the State. The contractor shall provide advance notice to the State on any intended sale of the contracting entity. The State will have the option of terminating the contract with the contractor upon the sale of the contracting entity.

#### **5.5 NEWS RELEASES**

News releases pertaining to this RFP or the services, study, data, program or project to which it relates, shall not be made without prior State approval (verbal or written as specified by the State), and then only in accordance with the explicit written instructions from the State. No results of the program are to be released without prior written approval of the State and then only to persons designated.

#### **5.6 FREEDOM OF INFORMATION AND PRIVACY ACT / DISCLOSURE**

All material submitted by bidders becomes the irrevocable and sole property of the State of Vermont. The State reserves the right to use all concepts, data, ideas, or configurations presented in any proposal, whether or not the proposal is selected.

All materials relating to this procurement are subject to the terms of the Freedom of Information Act, the Privacy Act, and all rules, regulations, and interpretations of these Acts, including those from the Offices of the Attorney General of the United States, Health and Human Services, Centers for Medicare and Medicaid Services, and the State of Vermont. The bidder, by submitting a proposal, agrees that the Privacy Act of 1974, Public Law 93-579, and the Regulations and General Instructions issued pursuant thereto, are applicable to this contract, and to all subcontracts hereunder. Should the bidder's proposal include any materials that are proprietary and are to be treated confidentially, those materials must be clearly and separately identified. Each page of any proprietary material should be separately labeled.

## **5.7 GRATUITIES OR KICKBACKS**

The State prohibits Gratuities and Kickbacks.

## **5.8 APPROPRIATIONS**

If the contract extends into more than one fiscal year (July 1 to June 30), and if appropriations are insufficient to support the contract, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriation authority.

## **5.9 OTHER PROVISIONS**

Vermont has specific contract language and requirements, as identified in Appendices 1 and 2 of this RFP. Bidders should review this language.

## **5.10 PERFORMANCE STANDARDS AND PENALTIES**

The contractor will be subject, as determined by the Contract Administrator, to forfeiture of up to 10 % of the contract amount for each instance in which the contractor fails to:

- Meet, by more than 10 calendar days, the timelines set forth in the contract. The Contract Administrator may waive or adjust this penalty if it is determined that failure to meet the timeline was fully or partially outside the control of the Contractor.
- Submit required work products or submits work products that are sufficiently deficient such that the Contract Administrator requests that they be redone.

Repeated levying of penalties for failure to perform may result in cancellation of the contract by the State.

### **5.11 COMPLIANCE WITH OTHER MATERIAL CONTRACT PROVISIONS**

The objective of this standard is to provide the State with an administrative procedure to address general contract compliance issues which are not specifically defined as performance requirements or for which damages due to non-compliance cannot be quantified.

The State may identify contract compliance issues resulting from the contractor's performance of its responsibilities through routine contract monitoring activities. If this occurs, the OVHA Director or Contract Administrator will notify the contractor in writing of the nature of the performance issue. The State will also designate a period of time, not to be less than 10 business days, in which the contractor must provide a written response to the notification and recommend, when appropriate, a reasonable period of time in which the contractor should remedy the non-compliance.

If the non-compliance is not corrected by the specified date, the State may assess sanctions up to \$2,500.00 per day after the due date until the non-compliance is corrected.

### **5.12 DEDUCTION FROM PAYMENTS**

The State may, following proper notification to the contractor, deduct from any payments due the contractor the calculated amount of recovery for any assessed consequential or liquidated damages. The State may, at its sole discretion, return a portion or all of any sanctions collected as an incentive payment to the contractor for prompt and lasting correction of performance deficiencies.

### **5.13 PROHIBITION AGAINST ADVANCE PAYMENTS**

No payment shall be paid by the State in advance of, or in anticipation of services actually performed and/or of supplies furnished under this contract.

### **5.14 PAYMENTS TO SUBCONTRACTORS**

The State shall bear no liability for paying the valid claims of the contractor's subcontractors.

### **5.15 CONTRACT COMPOSITION**

The terms and conditions contained in this section shall be incorporated by reference in any contract resulting from this RFP. The State shall render all decisions on matters involving interpretation of these contract terms and conditions. The contract shall be in conformity with, and shall be governed by, all applicable laws of the Federal government and the State of Vermont.

The components of the contract (in order of precedence) shall consist of:

- The formal contract document signed by all parties and any subsequent amendments

- to that document;
- This RFP, inclusive of appendices, exhibits and amendments;
  - The selected proposal; and
  - Any written agreements or representations incorporated as part of the procurement process.

In the event of a conflict in language among any of these components, the provisions and requirements set forth and/or referenced in the contract, or, if not set forth in that document, then the provisions and requirements as set forth in this RFP, shall govern. The State reserves the right to clarify any contractual relationship in writing, and such clarifications shall govern in case of conflict with the requirements of this RFP. If an issue is addressed in the contractor's proposal that is not addressed in the RFP, no conflict in language shall be deemed to have occurred.

#### **5.15.1 Entire Agreement**

The components cited in RFP section 5.15 represent the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect. A record of formal contract negotiations, if any, between the parties will be prepared by the OVHA and will become part of the contract file. The contract between the parties shall be independent of, and have no effect upon, any other contracts of either party.

#### **5.15.2 Contract Amendments**

An approved contract amendment is required whenever a change affects the payment provisions, the scope of work, the length of the contract, or when other contract deliverables do not meet the requirements of the State. Formal contract amendments will be negotiated by the State with the Contractor whenever necessary to address changes to the terms and conditions, the costs of, or the scope of work included under the contract. An approved contract amendment means one approved by the OVHA, the contractor, and all other applicable State and Federal agencies prior to the effective date of such change.

#### **5.15.3 Subsequent Conditions**

The contractor shall comply with all requirements of this RFP and the State shall have no obligation until such time as all of said requirements have been met.

#### **5.15.4 Contract Administration**

The contract shall be administered for the State by the OVHA. The OVHA Director and the Contract Administrator will be responsible for all matters related to this contract.

The Contract Administrator shall be the contractor's primary liaison in working with other State staff and with any other contractor. In no instance shall the contractor refer any matter to any other official in Vermont unless initial contact, both verbal and in writing, regarding the matter has been presented to the OVHA Director or the Contract Administrator.

Whenever the State is required by the terms of the contract to provide written notice to the contractor, such notice shall be signed by the OVHA Director or Contract Administrator. All notices regarding the failure to meet performance requirements and any assessments of damages under the provisions set forth in this RFP shall be issued by the OVHA Director or the Contract Administrator.

#### **5.15.5 Notices**

Whenever notice is required to be given to the other party, it shall be made in writing and delivered to that party. Delivery shall be deemed to have occurred if a signed receipt is obtained when delivered by hand or three (3) days have elapsed after posting if sent by registered or certified mail, return receipt requested, or by private carrier with a signed receipt slip. A transmission by fax will not be considered a formal notice. Notices shall be addressed as follows:

In case of notice to the contractor:

Contractor Name  
Contractor Address

In case of notice to OVHA:

OVHA Director  
Office of Vermont Health Access  
312 Hurricane Lane, Suite 201  
Williston, Vermont 05495

A copy of the notice shall be sent to the Contract Administrator. Said notices shall become effective on the date of receipt or the date specified within the notice, whichever comes later. Either party may change its address for notification purposes by mailing a notice stating the change and setting forth the new address.

#### **5.15.6 Authority**

Each party has full power and authority to enter into and perform the contract. Each party certifies that the person signing on its behalf has been properly authorized and empowered to enter into the contract. Each party further acknowledges that it has read the contract, understands it, and agrees to be bound by it.

## **5.16 INTERPRETATIONS AND DISPUTES**

### **5.16.1 Conformance with State and Federal Regulations**

The contractor agrees to comply with all State and Federal laws, regulations, and policies as they exist or as amended that are or may be applicable to the contract, including those not specifically mentioned in this chapter. In the event that the contractor may, from time to time, request the State to make policy determinations or to issue operating guidelines required for proper performance of the contract, the State shall do so in a timely manner, and the contractor shall be entitled to rely upon and act in accordance with such policy determinations and operating guidelines and shall incur no liability in doing so unless the contractor acts negligently, maliciously, fraudulently, or in bad faith.

### **5.16.2 Waivers**

No covenant, condition, duty, obligation, or undertaking contained in or made a part of the contract shall be waived except by the written agreement of the parties. Forbearance or indulgence in any form or manner by either party in any regard whatsoever shall not constitute a waiver of the covenant, condition, duty, obligation, or undertaking to be kept, performed, or discharged by the party to which the same may apply. Notwithstanding any such forbearance or indulgence, the other party shall have the right to invoke any remedy available under law or equity until complete performance or satisfaction of all such covenants, conditions, duties, obligations, and undertakings.

Waiver of any breach of any term or condition in the contract shall not be deemed a waiver of any prior or subsequent breach. No term or condition of this contract shall be held to be waived, modified, or deleted except by an instrument, in writing, signed by the parties hereto.

### **5.16.3 Severability**

If any provision of the contract (including items incorporated by reference) is declared or found to be illegal, unenforceable, or void, then both the State and the contractor shall be relieved of all obligations arising under such provision; if the remainder of the contract is capable of performance, it shall not be affected by such declaration or finding and shall be fully performed. To this end, the terms and conditions defined in the contract can be declared severable.

### **5.16.4 Legal Considerations**

This contract shall be governed in all respects by the laws and statutes of the State of Vermont. The bidder, by submitting a proposal, agrees and submits to the jurisdiction of the courts of the State of Vermont and agrees that venue for any legal proceeding against the State regarding this RFP or any resultant contract shall be filed in the Superior Court of Washington County. In the event that either party deems it necessary to take legal action to enforce any provision of the contract, the Contractor shall bear their costs associated with the litigation, including attorney fees as assessed by the court. Any action against the State, including, but not limited to, actions either for breach of contract or for enforcement of its provisions, or both, shall be commenced within three (3) years from the date of completion specified in the contract and shall be tried by a court sitting without a jury. All defenses in law or equity, except the defense of governmental immunity, shall be preserved to the State. Any further appeal of the Superior Court's decision may be taken to the Supreme Court of the State of Vermont.

### **5.16.5 Disputes**

Prior to the institution of litigation concerning any dispute arising under the contract, the Secretary of the AHS of the State of Vermont is authorized, subject to any limitations or conditions imposed by regulations, to settle, compromise, pay, or otherwise adjust the dispute by or against or in controversy with, a contractor relating to a contract entered into by the AHS on behalf of the State or any State department or office, including a claim or controversy based on a contract, mistake, misrepresentation, or other cause for contract modification or rescission, but excluding any claim or controversy involving penalties or forfeitures prescribed by statute or regulation where an official other than the Secretary of the AHS is specifically authorized to settle or determine such controversy.

A "contract dispute" shall mean a circumstance whereby a contractor and the State entity are unable to arrive at a mutual interpretation of the requirements, limitations, or compensation for the performance of a contract.

The Secretary of the AHS shall be authorized to resolve contract disputes between contractors and State entities upon the submission of a request in writing from either party, which request shall provide:

1. A description of the problem, including all appropriate citations and references from the contract in question.
2. A clear statement by the party requesting the decision of the Secretary's interpretation of the contract.
3. A proposed course of action to resolve the dispute.

The Secretary shall determine whether:

1. The interpretation provided is appropriate.
2. The proposed solution is feasible.

3. Another solution may be negotiable.

If a dispute or controversy is not resolved by mutual agreement, the Secretary or his/her designee shall promptly issue a decision in writing after receipt of a request for dispute resolution. A copy of the decision shall be mailed or otherwise furnished to the contractor. If the Secretary does not issue a written decision within 30 days after written request for a final decision, or within such longer period as might be established by the parties to the contract in writing, then the contractor may proceed as if an adverse decision had been received.

Appeals of the Secretary's decision may be taken to the Washington County Superior Court under the same conditions and under the same practice as appeals are taken from judgments in civil cases. If damages awarded on any contract claim under this section exceed the original amount of the contract, such excess shall be limited to an amount which is equal to the amount of the original contract. No person, firm, or corporation shall be permitted more than one money recovery upon a claim for the enforcement of or for breach of contract with the State.

## **5.17 GUARANTEES, WARRANTIES, AND CERTIFICATIONS**

### **5.17.1 Contractor Recoveries**

In the event this contract is terminated for any reason, the State shall be obligated only for the products/services rendered and accepted prior to the date of termination, and limited to actual, reasonable and allowable costs in accordance with contract payment provisions. All such products become the property of the State of Vermont.

The contractor may be paid for outstanding invoices due, less assessed damages. If damages exceed monies due from invoices, collection may be made from the contractor's performance bond.

### **Recovery Process**

The contractor shall submit any termination claims in the form and with the certifications prescribed by the State promptly, but in no event later than four months from the effective date of termination.

Subject to the timeliness provisions in the previous paragraph, and subject to any review required by State procedures in effect as of the date of execution of the contract, the contractor and the OVHA may agree upon the amounts to be paid to the contractor by reason of the total or partial termination of work.

The State will only pay for those services for which value has been received in progress on a product, regardless of contractor costs. The contractor shall not be entitled to be paid for any work performed in connection with terminated parts and after notice of termination is received.

In the event of a failure to agree in whole or in part as to any amounts to be paid to the contractor in connection with the total or partial termination of work pursuant to this contract, the State shall determine on the basis of information available, the amount, if any, due to the contractor by reason of termination and shall pay to the contractor the amount so determined. The contractor shall have the right of appeal.

If the State determines that the facts justify such action, termination claims may be accepted and acted upon at any time after such four-month period or extension thereof. Upon failure of the contractor to submit its termination claim within the time allowed, the OVHA may, subject to review required by State procedures in effect as of the date of execution of the contract, determine on the basis of information available, the amount, if any, due to the contractor by reason of the termination and shall pay to the contractor the amount so determined.

In no case shall the contractor's termination claims include claim for unrealized anticipatory profits.

### **5.17.2 State Recoveries**

In the event this contract is terminated for any reason, the OVHA may procure, upon such terms and in such manner as deemed appropriate by the OVHA, supplies or services similar to those terminated, and the contractor may be liable for any costs for such similar supplies or services and other damages allowed by law.

Additionally, the contractor shall be liable to the State for administrative costs incurred to procure such similar supplies or services as are needed to continue operations. Payment for such costs may be assessed against the contractor's performance bond.

The contractor acknowledges that:

Any failure or unreasonable delay on its part in the delivery of materials and/or turnover activities will cause irreparable injury to the OVHA, not adequately compensable in damages.

The OVHA may seek and obtain injunctive relief and monetary damages. Payments made by the OVHA may also constitute an element of damages in any action in which contractor default is alleged.

The rights and remedies of the OVHA provided in this section shall not be exclusive and are in addition to other rights and remedies provided by law or under contract provisions.

### **5.17.3 Subcontracts and Delegation of Duty**

The contractor may enter into written subcontract(s) for performance of certain of its contract responsibilities. The proposed use of subcontractors shall be clearly explained in the bidder's

proposal and should identify which subcontractors are providing what services. The contractor shall make available all subcontracts for inspection by the State upon request for the State's prior approval. Any change in subcontractors during the term of the contract shall be submitted to the State for review and shall be subject to the State's prior approval.

The primary contractor shall be wholly responsible for performance of the entire contract whether or not subcontractors are used. Any subcontract which the contractor enters into with respect to performance under the contract shall not relieve the Contractor in any way of responsibility for performance of its duties. Further, the State will consider the selected contractor to be the sole point of contact with regard to contractual matters, including payment of any and all charges resulting from the contract.

The contractor shall give the State immediate notice in writing, by certified mail, of any action or suit filed and of any claim made against the contractor or subcontractor that may result in litigation with the AHS related to this contract.

Executive Order 924 encourages each State agency to meet a goal of 10% of the dollar value of all procurement be awarded to small and small disadvantaged and minority and woman-owned businesses as subcontractors, pursuant to the provisions of Part 19 of Title 48, Federal Acquisition Regulations; 45 CFR 74.161, Appendix C; and Chapter 37-2.5.5.2.

All of the program standards described in this RFP shall apply to subcontractors, to the extent relevant, to the duties they are performing.

#### **5.17.4 Assignment of the Contract**

The contractor shall not sell, transfer, assign, or otherwise dispose of the contract or any portion thereof or of any right, title, or interest therein without the prior written consent of the State. Such consent, if granted, shall not relieve the contractor of its responsibilities under the contract. This provision includes reassignment of the contract due to change in ownership of the firm.

#### **5.17.5 Force Majeure**

Neither the contractor nor the State shall be liable for any damages or excess costs for failure to perform their contract responsibilities if such failure arises from causes beyond the reasonable control and without fault or negligence by the contractor or the State. Such causes may include, but are not restricted to, fires, earthquakes, tornadoes, floods, unusually severe weather, or other catastrophic natural events or acts of God; quarantine restrictions; explosions; subsequent legislation by the State of Vermont or the Federal government; strikes by other than the contractor's employees; and freight embargoes. In all cases, the failure to perform must be beyond the reasonable control of, and without fault or negligence of, either party.

### **5.17.6 Patent or Copyright Infringement**

The contractor shall represent that, to the best of its knowledge, none of the software to be used, developed, or provided pursuant to this contract violates or infringes upon any patent, copyright, or any other right of a third party. If any claim or suit is brought against the State for the infringement of such patents or copyrights arising from the contractor's or the State's use of any equipment, materials, computer software and products, or information prepared for, or developed in connection with performance of, this contract, then the contractor shall, at its expense, defend such use. The contractor shall satisfy any final award for such infringement, whether it is resolved by settlement or judgment involving such a claim or suit.

## **5.18 PERSONNEL**

### **5.18.1 Employment Practices**

The contractor shall:

1. Agree to comply with the requirements relating to fair employment practices; to the extent applicable and agrees further to include a similar provision in any and all subcontracts.
2. Not discriminate against any employee or applicant for employment because of race, color, religion, sex, sexual orientation, national origin, age (except as provided by law), marital status, political affiliation, or handicap.
3. Take affirmative action to ensure that employees, as well as applicants for employment, are treated without regard to their race, color, religion, sex, sexual orientation, national origin, age (except as provided by law), marital status, political affiliation, or handicap. Such action shall be taken in areas including, but not be limited to, the following: employment, upgrading, demotion, transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
4. Agree to post in a conspicuous place, available to employees and applicants for employment, notices setting forth the provision of this non discrimination clause.
5. In all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, sexual orientation, national origin, age (except as provided by law), marital status, political affiliation, or handicap, except where it relates to bona fide occupational qualification.
6. Send to each labor union or representative of workers with which he has a collective bargaining arrangement or other agreement or understanding, a notice advising the labor union or workers' representative of the contractor's commitments under Section 202 of Executive Order No. 11246 of September 24, 1976, as amended, and the rules, regulations, and relevant orders of the Secretary of Labor.
7. Agree to comply with the requirements of Title VI of the Civil, Rights Act of 1964 (42 USC 2000D et seq.); Section 504 of the Rehabilitation Act of 1973, as amended

- (29 USC 794); Title IX of the Education Amendments of 1972 (20 USC 1 681 et seq.); The United States Department of Health and Human Services regulations found in 45 CFR, parts 80 and 84; and the United States Department of Education implementing regulations (34 CFR, parts 104 and 106); which prohibit discrimination on the basis of race, color, national origin, handicap, or sex, in acceptance for or provision of services, employment, or treatment in educational or other programs or activities.
8. Comply with all provisions of Executive Order No.11246 of September 24, 1976, as amended, and of the rules, regulations, and relevant orders of the Secretary of Labor.
  9. Furnish all information and reports required by Executive Order No.11246 of September 24, 1976, as amended, and by the rules, regulations, and orders of the Secretary of Labor or pursuant thereto and will permit access to its books, records, and accounts by the Secretary of the U.S. Department of Health and Human- Services and the U.S. Secretary of Labor or their authorized representatives for purposes of investigation to ascertain compliance with rules, regulations, and orders.
  10. Comply with the nondiscrimination clause contained in Federal Executive Order 11246, as amended by Federal Executive Orders 11625 and 11375, relative to Equal Employment Opportunity for all persons without regard to race, color, religion, sex, or national origin, and the implementing rules and regulations prescribed by the Secretary of Labor and with Title 41, Code of Federal Regulations, Chapter 60.
  11. Comply with regulations issued by the Secretary of Labor of the United States in Title 20, Code of Federal Regulations, Part 741, pursuant to the provisions of Executive Order 11 758 and the Federal Rehabilitation Act of 1973.
  12. Be responsible for ensuring that all subcontractors comply with the above-mentioned regulations. The contractor and its subcontractors shall comply with the Civil Rights Act of 1964, and any amendments thereto, and the rules and regulations there under, and Section 504 of Title V of the Vocational Rehabilitation Act of 1973, as amended.
  13. Comply with all applicable provisions of Stat. 53-1147, the Federal "Hatch Act," as amended.
  14. Comply with all applicable provisions of Public Law 101-336, Americans with Disability Act.
  15. Provide a drug-free work place in accordance with the Drug-Free Workplace Act of 1 988 and implemented at 45 CFR 76, Subpart F for grantees, as defined at 45 CFR Part 76, Section 76.605 and 76.610.
  16. Agree comply with all other State and Federal statutes and regulations that are or may be applicable and that are not specifically mentioned above.

### **5.18.2 Employment of State Personnel**

The contractor shall not knowingly engage on a full-time, part-time, or other basis, during the period of the contract, any professional or technical personnel who are or have been at any time during the period of this contract, State employees, except those regularly retired individuals, without prior written approval from the Secretary of the AHS or designee.

### **5.18.3 Fraud and Abuse**

The contractor shall require its employees, contractors, and grantees which provide goods or services for the plan to furnish, upon reasonable request, to the OVHA and the Attorney General any record, document, or other information necessary for a review, audit, or investigation of program fraud or abuse, and shall establish procedures to report all suspected fraud and abuse to the OVHA and the Attorney General.

### **5.19 INSPECTION OF WORK PERFORMED**

The OVHA, the AHS, Vermont Auditor of Accounts, the U.S. Department of Health and Human Services, the Centers for Medicare and Medicaid Services, the General Accounting Office, the Comptroller General of the United States, the Office of the Inspector General, Medicaid Fraud Control Unit of the Office of the Attorney General or their authorized representatives shall, during normal business hours, have the right to enter into the premises of the Contractor and/or all subcontractors and providers, or such other places where duties under the contract are being performed, to inspect, monitor, or otherwise evaluate the work being performed. All inspections and evaluations shall be performed in such a manner as to not unduly delay work.

### **5.20 TERMINATION OF THE CONTRACT**

The contract between the parties may be terminated only on the following basis:

1. By mutual written agreement of the State and the contractor.
2. By the State, in whole or in part, whenever it determines that the contractor has failed to satisfactorily perform its contracted duties and responsibilities and is unable to cure such failure within a reasonable period of time after receipt of a notice specifying those conditions.
3. By the State, in whole or in part, whenever, for any reason, the state shall determine that such termination is in the best interest of the State, with sufficient prior notice to the contractor.
4. By the State, in whole or in part, whenever funding from State, Federal, or other sources is withdrawn, reduced, or limited, with sufficient prior notice to the contractor.
5. By the State, in whole or in part, whenever the State determines that the instability of the contractor's financial condition threatens delivery of Medicaid services and continued performance of the contractor responsibilities.

Each of these circumstances is incorporated in the following subsections.

#### **5.20.1 Termination for Default**

The State may terminate this contract, in whole or in part, whenever it determines that the contractor or subcontractor has failed to satisfactorily perform its contracted duties and responsibilities and is unable to cure such failure within a reasonable period of time as specified

in writing by the State, taking into consideration the gravity and nature of the default. Such termination shall be referred to herein as "Termination for Default."

Upon determination by the State that the contractor has failed to satisfactorily perform its contracted duties and responsibilities, the contractor shall be notified in writing, by either certified or registered mail, of the failure and of the time period which has been established to cure such failure. If the contractor is unable to cure the failure within the specified time period, the State will notify the contractor that the contract, in full or in part, has been terminated for default.

If, after notice of termination for default, it is determined by the State or by a court of law that the contractor was not in default or that the contractor's failure to perform or make progress in performance was due to causes beyond the control of, and without error or negligence on the part of, the contractor or any of its subcontractors, the notice of termination shall be deemed to have been issued as a termination for the convenience of the State, and the rights and obligations of the parties shall be governed accordingly.

In the event of termination for default, in full or in part as provided under this clause, the State may cover, upon such terms and in such manner as is deemed appropriate by the State, supplies or services similar to those terminated, and the contractor shall be liable for any costs for such similar supplies or services and all other damages allowed by law. In addition, the contractor shall be liable to the State for administrative costs incurred to procure such similar supplies or services as are needed to continue operations. Payment for such costs may be assessed against the contractor's performance bond or substitute security.

In the event of a termination for default, the contractor shall be paid for any outstanding monies due less any assessed damages. If damages exceed monies due from invoices, collection can be made from the contractor's performance bond, cash deposit, letter of credit, or substitute security.

The rights and remedies of the State provided in this clause shall not be exclusive and are in addition to any other rights and remedies provided by law or under the contract.

### **5.20.2 Termination for Convenience**

The State may terminate performance of work under the contract, in whole or in part, whenever, for any reason, it shall determine that such termination is the most appropriate action for the State of Vermont.

In the event that the State elects to terminate the contract pursuant to this provision, the Contractor shall be notified in writing by either certified or registered mail either 30 days prior to or such other reasonable period of time prior to the effective date, of the basis and extent of termination. Termination shall be effective as of the close of business on the date specified in the notice. Upon receipt of notice of termination for convenience, the contractor shall be paid for any outstanding monies due.

### **5.20.3 Termination for Unavailability of Funds**

In the event funding from State, Federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this contract and prior to the anticipated contract expiration date, the State may terminate the contract under the "Termination for Convenience" clause.

### **5.20.4 Termination for Financial Instability**

In the event that the contractor becomes financially unstable to the point of threatening the ability of the State to obtain the services provided for under the contract, ceases to conduct business in the normal course, makes a general assignment for the benefit of creditors, or suffers or permits the appointment of a receiver for its business or its assets, the State may, at its option, immediately terminate this contract effective the close of business on the date specified. In the event the State elects to terminate the contract under this provision, the contractor shall be notified in writing by either certified or registered mail specifying the date of termination. In the event of the filing of a petition in bankruptcy by or against a principal subcontractor, the contractor shall immediately notify the Contract Administrator. The contractor shall ensure that all tasks related to the subcontract are performed in accordance with the terms of this contract.

### **5.20.5 Procedures on Termination**

Upon delivery by certified or registered mail to the contractor of a Notice of Termination specifying the nature of the termination and the date upon which such termination becomes effective, the contractor shall:

1. Stop work under the contract on the date and to the extent Specified in the Notice of Termination.
2. Complete the performance of such part of the work as has not been terminated by the Notice of Termination.
3. Provide all necessary transitioning assistance and relevant information to the State.

## **5.21 MISCELLANEOUS CONTRACT TERMS AND CONDITIONS**

### **5.21.1 Ownership of Data, Reports, Work Products and Deliverables**

All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of the State of Vermont and shall be delivered to the State of Vermont upon 30 days notice by the State. With respect to software computer programs and/or source codes developed for the State, the work shall be considered "work for hire", i.e., the State, not the Contractor or subcontractor, shall have full and complete

ownership of all software computer programs and/or source codes developed.

All work products, and deliverables produced under contracts awarded as a result of bids will be the exclusive property of the State of Vermont. This includes, but is not limited to, software, documentation, and development materials. A contractor shall not sell a work product or deliverable produced under a contract awarded as a result of bids without explicit permission from the State.

#### **5.21.2 Publicity**

Any publicity given to the program or services provided herein, including, but not limited to, notices, information pamphlets, press releases, research, reports, signs, and similar public notices prepared by or for the contractor, shall identify the State of Vermont as the sponsor and shall not be released without prior written approval from the State.

#### **5.21.3 Award of Related Contracts**

The State may undertake other contracts for work related to this contract or any portion thereof. The contractor shall be bound to cooperate fully with such other contractors as directed by the State in all such cases. All subcontractors will be required to abide by this provision as a condition of the contract between the subcontractor and the primary contractor.

#### **5.21.4 Conflict of Interest**

No official or employee of the State of Vermont or the Federal government who exercises any functions or responsibilities in the review or approval of the undertaking-or carrying out of this contract shall, prior to the completion of the project, voluntarily acquire any personal interest, direct or indirect, in the contract or proposed contract. All applicable State employees shall be subject to the provisions of the Executive Order Code of Ethics, Executive Order No.8-91.

The contractor represents and covenants that it presently has no interest and shall not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of its services hereunder. The contractor further covenants that, in the performance of the contract, no person having any such known interests shall be employed.

#### **5.21.5 Lobbyist Reporting Law**

In accordance with 2 V.S.A., Sections 261-268, lobbyists and their employers must report all gifts of \$5.00 or more to legislators or administration officials. Lobbyists include all persons who engage in lobbying for compensation of more than \$500 in any calendar year. Lobbyists and their employers must register and file reports with the Vermont Secretary of State.

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**SECTION 6: PROPOSAL EVALUATION AND SELECTION****6.1 EVALUATION PROCESS**

The Office of Vermont Health Access shall conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this procurement effort. An Evaluation Committee will assist the Department in selection of a Contractor. A general format for proposal evaluations is included in this RFP as Appendix C. The Department reserves the right to alter the composition of the committee. The Evaluation Committee will be responsible for the review and scoring of the all proposals and shall recommend selection of a Contractor to the Director of OVHA. The Director will also execute the contract.

The Department reserves the right to reject any and all proposals.

**6.2 EVALUATION PHASES**

Evaluations will be conducted in the following phases:

Phase 1 - Evaluation of Minimum Requirements

Phase 2 - Evaluation of the Work Plan - Up to 40 Points

Phase 3 - Evaluation of Cost Proposals - Up to 25 Points

Phase 4 - Evaluation of Corporate Background,  
Experience, Organization and Staffing - Up to 35 Points

Phase 5 - Ranking of Proposals

**6.2.1 Phase 1 - Evaluation of Minimum Requirements (0 Points)**

The purpose of this phase is to determine if each proposal is sufficiently responsive to the RFP to permit a complete evaluation of the Work Plan, supplies, personnel and other costs. Proposals must comply with the instructions to bidders contained in Sections 3 and 4. Failure to comply with the instructions shall deem the proposal non-responsive and subject to rejection without further consideration. The Department reserves the right to waive minor irregularities.

Minimum requirements for a proposal to be afforded consideration are:

- Mandatory Letter of Intent set forth in Section 3.11
- Five (5) copies of the proposal must have been received by deadline as set forth in Sections 4.7 and 4.8.
- The proposal must respond to requirements set forth in Section 4.7 and include a cost

proposal as outlined in Section 4.9;

- The proposal must contain a Transmittal Letter as set forth in Section 4.8.2.
- RFP General Contract Terms and Conditions must be accepted.

### **6.2.2 Phase 2 - Evaluation of the Work Plan (Up to 40 Points)**

Those proposals meeting minimum requirements as cited above will pass on to Phase 2.

For each proposal in Phase 2, the quality of the work-plan will be evaluated for completeness (all elements of the work-plan addressed), logic, approach to monitoring progress, and overall approach to project management. The Department reserves the right to reject proposals not complying with requirements set forth in Section 4.1.

### **6.2.3 Phase 3 - Evaluation of the Cost Proposal (Up to 25 Points)**

For each proposal considered in Phase 2, the corresponding cost proposal will be examined to determine if it meets requirements set forth in Section 4.2, is consistent with any supplies or materials proposed, and if calculations are accurate. Any cost proposal that is incomplete or with significant inconsistencies or inaccuracies may be rejected by the State.

### **6.2.4 Phase 4 - Evaluation of Corporate Background, Experience, Organization and Staffing (Up to 35 Points)**

Proposals passing through Phases 1-3 to Phase 4, will be evaluated by the Department as follows:

- Evaluation of corporate experience, resources, and qualifications of the bidder and any sub-contractors whose services the bidder proposes to utilize to complete RFP requirements.
- Determination as to the extent of capability evidenced by the bidder to take on additional work to be generated by the resultant contract.
- Assessment of the bidder's financial ability to undertake the resultant contract.
- Through references in part, evaluation of the bidder's ability to comply with time schedules, deliver satisfactory products, manage the Work Plan, and fulfill contractual obligations within the proposed budget.

### **6.2.5 Phase 5 - Ranking of Proposals**

Upon completion of Phases 1-4, after proposals have been rated, total points awarded will determine the bid ranking. A singular recommendation, along with any supporting materials will

be conveyed to the OVHA's Director.

The Director of OVHA will render final selection of the contractor. Upon selection, a signed contract will be requested. Other bidders will be notified of the selection and of their respective status. If no signed contract is forthcoming, the Director will render another selection. Should all proposals be rejected, all bidders will be notified promptly.

**APPENDIX 1: CONTRACT ATTACHMENTS C, E, F**

Contract attachments C, E and F can be access at:

<http://ovha.vermont.gov/budget-legislative/request-for-proposal-for-medical-technical-assistance-11-06-2007>



**APPENDIX 2: VERMONT TAX CERTIFICATION**

DATE: \*(DATE)

**REQUEST FOR PROPOSAL**  
\*(TITLE)

Address

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

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

**VERMONT TAX CERTIFICATE AND INSURANCE CERTIFICATE**

To meet the requirements of Vermont Statute 32 V.S.A. subsection 3113, by law, no agency of the State may enter into extend or renew any contract for the provision of goods, services or real estate space with any person unless such person first certifies, under the pains and penalties of perjury, that he or she is in good standing with the Department of Taxes. A person is in good standing if no taxes are due, if the liability for any tax that may be due is on appeal, or if the person is in compliance with a payment plan approved by the Commissioner of Taxes, 32 V.S.A. subsection 3113. In signing this bid, the bidder certifies under the pains and penalties of perjury that the company/individual is in good standing with respect to, or in full compliance with a plan to pay, any and all taxes due to the State of Vermont as of the date this statement is made.

Bidder further certifies that the company/individual is in compliance with the State's insurance requirements as detailed in section 21 of the Purchasing and Contract Administration Terms and Conditions. All necessary certificates must be received prior to issuance of Purchase Order. If the certificate of insurance is not received by the Division of Purchasing and Contract Administration within five (5) days, the State of Vermont reserves the right to select another vendor. Please reference this RFQ# when submitting the certificate of insurance.

Insurance Certificate: Attached \_\_\_\_\_ Will provide upon notification of award: \_\_\_\_\_ (within 5 days)

Delivery Offered \_\_\_\_\_ Days After Notice of Award      Terms of Sale \_\_\_\_\_

Quotation Valid for \_\_\_\_\_ Days \_\_\_\_\_      Date: \_\_\_\_\_

Name of Company: \_\_\_\_\_ Telephone Number: \_\_\_\_\_

Fed ID or SS Number: \_\_\_\_\_ Fax Number: \_\_\_\_\_

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

Signature (Bid Not Valid Unless Signed)

(Type or Print)

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