

# **Request for Proposals (RFP)**

## **Maryland Health Benefit Exchange (MHBE) Independent Verification and Validation (IV&V) and Quality Assurance / Quality Control Services**

**SOLICITATION # EXCHANGE – MDM0031014269**

**Issue Date: April 21, 2014**

### **NOTICE**

Prospective Offerors who have received this document from the Exchange's web site or eMarylandMarketplace.com, or who have received this document from a source other than the Procurement Officer, and who wish to assure receipt of any changes or additional materials related to this RFP, should immediately contact the Procurement Officer and provide their name and mailing address so that addenda to the RFP or other communications can be sent to them.

**Minority Business Enterprises Encouraged to Respond to this Solicitation**

# STATE OF MARYLAND NOTICE TO OFFERORS

In order to help us improve the quality of State solicitations, and to make our procurement process more responsive and business friendly, we ask that you take a few minutes and provide comments and suggestions regarding the enclosed solicitation. Please return your comments with your proposals. If you have chosen not to respond on this Contract, please fax this completed form to: (410) 547-7373 to the attention of Roger A. Lewis, Procurement Officer.

Title: Maryland Health Benefit Exchange: Independent Verification and Validation

Solicitation No: (MDM0031)

1. If you have responded with a "no response", please indicate the reason(s) below:

- Other commitments preclude our participation at this time.
- The subject of the solicitation is not something we ordinarily provide.
- We are inexperienced in the work/commodities required.
- Specifications are unclear, too restrictive, etc. (Explain in REMARKS section.)
- The scope of work is beyond our present capacity.
- Doing business with Maryland Government is simply too complicated. (Explain in REMARKS section.)
- We cannot be competitive. (Explain in REMARKS section.)
- Time allotted for completion of the bid/proposals is insufficient.
- Start-up time is insufficient.
- Bonding/Insurance requirements are restrictive. (Explain in REMARKS section.)
- Bid/Proposals requirements (other than specifications) are unreasonable or too risky. (Explain in REMARKS section.)
- MBE requirements. (Explain in REMARKS section.)
- Prior State of Maryland Contract experience was unprofitable or otherwise unsatisfactory. (Explain in REMARKS section.)
- Payment schedule too slow.
- Other: \_\_\_\_\_

2. If you wish to offer suggestions or express concerns, please use the Remarks section below. (Use reverse or attach additional pages as needed.)

REMARKS: \_\_\_\_\_

\_\_\_\_\_

Offeror Name: \_\_\_\_\_ Date: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Phone (\_\_\_\_) \_\_\_\_\_ - \_\_\_\_\_

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

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

**STATE OF MARYLAND  
HEALTH BENEFIT EXCHANGE**

**KEY INFORMATION SUMMARY SHEET**

**Independent Verification and Validation (IV&V) and Quality Assurance/Quality Control Services**

Solicitation Number: Exchange (MDM0031014269)

Issue Date: April 21, 2014

RFP Issuing Office: Maryland Health Benefit Exchange

Procurement Officer: Roger A. Lewis

Office Phone: (410) 547-1277

Fax: (410) 547-7373

E-mail: [hix.procurement@maryland.gov](mailto:hix.procurement@maryland.gov)

Contract Monitor: Isabel FitzGerald

E-mail: [Isabel.FitzGerald@maryland.gov](mailto:Isabel.FitzGerald@maryland.gov)

Proposals are to be sent to: Maryland Health Benefit Exchange  
750 East Pratt Street – 16th Floor  
Baltimore, Maryland 21202  
Attention: Roger A. Lewis, Procurement Officer

Pre-Proposal Conference: May 1, 2014 at 1:00 pm Local Time  
Maryland Department of Health and Mental Hygiene (DHMH)  
201 West Preston Street, Lobby Level Conference Room L3  
Baltimore, MD 21201

Closing Date and Time: May 16<sup>th</sup> 3:00 pm Local

MBE Subcontracting Goal: 30 %

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## SECTION 1 GENERAL INFORMATION

### 1.1 SUMMARY STATEMENT

The Maryland Health Benefit Exchange (MHBE) is soliciting responses from qualified firms that are able to provide Quality Assurance / Quality Control, Independent Verification and Validation (IV&V) services for the Maryland Health Connection system project, referred to as the Maryland Health Insurance Exchange (HIX) in past solicitations.

The state is currently transferring the Deloitte solution used by the state of Connecticut, and retrofitting it for Maryland. The initial phase of this effort ends November 15, 2014. Work is performed by Deloitte. The scope of this contract will focus entirely on the transfer project effort.

Other contracted entities and State Agencies contributing to the overall effort may also fall within the Scope of support for the QA/QC IV&V QA/QC IV&V vendor. MHBE reserves the right to cancel this solicitation at any time. It is MHBE's intention to obtain services, as specified in this RFP, from a Contract between the successful Offeror and MHBE. Offerors, either directly or through their subcontractors, must be able to provide all services and meet all of the requirements requested in this solicitation. MHBE intends to make a single award to the Offeror whose proposal is deemed to be the most advantageous to the state. Further, the reserves the right to award certain additional work, as described herein, to the successful Offeror through Optional Task Orders.

#### 1.1.1 OVERVIEW

As signed into law by President Obama on March 23, 2010 and later amended, the ACA requires States to begin operating a Health Insurance Exchange by January 1, 2014 or to allow the federal government to operate an Exchange on their behalf. Beginning with legislation adopted April 12, 2011, the State of Maryland passed laws establishing and governing its own Exchange. The Exchange provides Maryland's residents and small businesses with the opportunity to compare rates, benefits, and quality among insurance plans and enroll in products that best suit their needs. It also evaluates eligibility for Medicaid, advanced premium tax credits and other affordability programs designed to make coverage more affordable for individuals below 400 percent of the federal poverty level (FPL).

A critical element of making Maryland's Exchange successful has been in procuring IV&V services for the HIX. The State of Maryland has elected to establish a single IT infrastructure to evaluate eligibility for Exchange plans (including the Small Business Health Options Program (SHOP) Medicaid, Maryland Children's Health Program (MCHP), and advance premium tax credits and cost-sharing reductions.

### 1.1.2 Services Sought

The State seeks a firm (referred to as the QA/QC IV&V vendor) to provide services and sources related to two major initiatives:

A) Enterprise Quality Assurance / Quality Control (QA/QC)

QA / QC tasks will include review of project schedules and deliverables for completeness, accuracy, and adherence to business practices and industry standards. At the direction of the MHBE leadership, the Offeror will participate in project planning of specific system improvements, providing reviews and evaluations of estimates, proposed approaches, resource allocations, constraints, and how the initiative aligns with MHBE's overall goals and objectives.

B) Independent Verification and Validation (IV&V)

Real-time IV&V activities include evaluation of MHBE's progress against plan, identification and reporting program risks, issues, and action items, and supporting MHBE course-correction activities through real-time reports of project health status to MHBE leadership. Status and reports will be proactive, and all issues, risks and recommendations must be based on quantifiable benchmarks, industry standards or other relevant experience. All recommendations must be constructed in such a way to be realistic and achievable within the project constraints. Any risks, issues or course-correction recommendations that fail to meet these requirements will be removed at the direction of MHBE.

### 1.1.3 STATE VISION

The State envisions a team of highly qualified, experienced consultant staff that will be dedicated to this effort.. The anticipated duration of this contract is for one (1) year with two optional one-year extension periods.

There are multiple stakeholder organizations that the successful Offeror will interact with in the performance of its duties. The Contract Monitor will be the principal contact for the QA/QC IV&V vendor and the recipient of all contract deliverables. Additionally, the QA/QC IV&V vendor will have access to the following stakeholder organizations whose leadership and staff will be available to provide detailed information on their roles on the project as well as any information pertinent to the performance of the scope of work under this procurement:

- The Department of Health and Mental Hygiene (business and technical leadership of the State's Medicaid Program)
- The Department of Human Resources (business and technical leadership of the State's processes for determining eligibility for social services programs, including Medicaid)
- The Maryland Health Benefit Exchange (business and technical leadership of Maryland's Individual and SHOP Exchanges)
- The Maryland Health Benefit Exchange Integrated Program Management Office (overall program management and technical implementation coordination)
- The HIX Systems Integrator prime contractor for the transfer and modification of the Connecticut system to meet Maryland's needs
- The General Contractor (providing technical support to the MHBE PMO)



#### 1.1.4 CONFLICT OF INTEREST

Firms that are prime contractors on the HIX IT implementation team or the MHBE PMO are not eligible to perform the services requested in this RFP, and proposals from such firms will not be evaluated.

Prospective Offerors should be aware that the State Ethics Law, State Government Article, §15-508, may limit the successful Offeror's ability to participate in future related procurements, depending upon specific circumstances.

The successful Offeror will be precluded from bidding on implementation work, hosting, infrastructure, and may be precluded from bidding on other work at MHBE if at the sole discretion of the Contract Monitor they determine a conflict may exist. Prior written clearance must be obtained from the Contract Monitor to determine no conflict exists before bidding on other or acting as a subcontractor for the MHBE.

#### 1.1.5 STATE RIGHTS TO REMOVE STAFF MEMBERS

The State may request the replacement or removal of any individual consultant staff member at any time, based solely upon the State's assessment of the individual's performance or at the contract monitor's discretion. The successful Offeror agrees to promptly replace staff members with individuals possessing equivalent or better qualifications, when requested to do so by the State.

### 1.2 ABBREVIATIONS AND DEFINITIONS

For purposes of this RFP, the following abbreviations or terms have the meanings indicated below:

Term	Definition
ACA	Affordable Care Act, which consists of The Patient Protection and Affordable Care Act, as amended by the federal Health Care and Education Reconciliation Act of 2010.
BAFO	Best and Final Offers
Best of Breed	The best product of its type
BRD	Business Requirements Document
CARES	Client Automated Resource and Eligibility System
CCIIO	Center for Consumer Information and Insurance Oversight
CD	Compact Disc
CFDA	Catalog of Federal Domestic Assistance
CHIP	Children's Health Insurance Program (Federal)
CIO	Chief Information Officer
CM	Contract Monitor - The State representative for this project who is primarily responsible for contract administration functions, including issuing written direction, monitoring this project to ensure compliance with the terms and conditions of the contract, and ensuring on budget/on

Term	Definition
	time/on target (e.g., within scope) completion of the project. The Exchange may change the Contract Monitor at any time by written notice to the Offeror.
CMMI	Capability Maturity Model Integration
CMS	Centers for Medicare and Medicaid Services
COMAR	Code of Maryland Regulations available on-line at <a href="http://www.dsd.State.md.us">www.dsd.State.md.us</a>
Contract	The Contract awarded to the successful Offeror pursuant to this RFP.
COTS	Commercial-off-the-Shelf
CRM	Customer Relationship Management
CSR	Customer Service Requests
DDI	Design, Development, Implementation
DDR	Detailed Design Review
DGS	Maryland Department of General Services
DHMH	Maryland Department of Health and Mental Hygiene
DHR	Maryland Department of Human Resources
DLLR	Maryland Department of Labor, Licensing and Regulation
EDI	Electronic Data Interchange
EFT	Electronic Funds Transfer
ELC	Exchange Life Cycle
eMM	eMaryland Marketplace
EPA	Environmental Protection Agency
ePHI	electronic Protected Health Information
ESB	Enterprise Service Bus
EVMS	Earned Value Management System
Exchange	Maryland Health Benefit Exchange
FFP	Firm Fixed Price
FIPS	Federal Information Processing Standard
FISMA	Federal Information Security Management Act
FOA	Funding Opportunity Announcement

Term	Definition
FPL	Federal Poverty Level
FRD	Functional Requirements Document
GC	General Contractor
GUI	Graphical User Interface
HHS	Department of Health and Human Services
HIE	Health Information Exchange
HIPAA	Health Insurance Portability and Accountability Act
HITECH	Health Information Technology for Economic and Clinical Health Act
HIX	Health Insurance Exchange Solution
IEEE	Institute of Electrical and Electronics Engineers (JA)
ILC	Investment Life Cycle
IO	Information Operations
IRS	Internal Revenue Service
IT	Information Technology
IVR	Interactive Voice Recognition System
IV&V	Independent Validation and Verification
JAD	Joint Application Development
LAN	Local Area Network
LDAP	Lightweight Directory Access Protocol
Local Time	Time in the Eastern Time Zone as observed by the State of Maryland
MAGI	Modified Adjusted Gross Income
Maryland Health Assistance Programs	This term refers to: Advanced Premium Tax Credits, cost sharing reductions, Medicaid and MCHP
MHBE	Maryland Health Benefit Exchange/ interchangeable with the State
MBE	A Minority Business Enterprise certified by the Maryland Department of Transportation under COMAR 21.11.03
MCHP	Maryland Children's Health Program

Term	Definition
MD	Maryland
MDOT	Maryland Department of Transportation
MDM	Master Data Management
MDI	Master Data Index
MIA	Maryland Insurance Administration
MITA	Medicaid Information Technology Architecture
MMIS	Medicaid Management Information System
NAICS	North American Industry Classification System
NHIN	National Health Information Network
NIEM	National Information Exchange Model
NIST	National Institution of Standards & Technology
No Wrong Door	The concept of allowing people to apply for multiple affordability programs using a single, unified process that does not require them to know in advance the program for which they are likely to qualify.
NSA	National Security Agency
NTP	Notice to Proceed: Letter from Contract Monitor to Offeror stating the date the Offeror can begin work subject to the conditions of the contract.
Offeror	An entity that submits a proposal in response to this RFP
OLAP	Online Analytical Processing
OSC	Office of the State Comptroller
OSHA	Occupational Safety and Health Administration
OTHS	Office of Technology for Human Services
PKI	Public Key Infrastructure
PM	Program Manager
PMBOK	Project Management Body of Knowledge (JA)
PMI	Project Management Institute (JA)
PMO	Program Management Office
PMP	Project Management Plan
PPM	Project Portfolio Management
PPP	Procurement Policies and Procedures

Term	Definition
Procurement Officer	The Exchange representative for the resulting Contract. The Procurement Officer is responsible for the Contract and is the only individual who can authorize changes to the Contract. The Exchange may change the Procurement Officer at any time by written notice to the Offeror.
QA / QC	Quality Assurance / Quality Control
QHP	Qualified Health Plan
RFP	Request for Proposals
SDD	System Design Document
SDLC	Software Development Life Cycle
SHOP	Small Business Health Options Program
SI	System Integrator
SLA	Service Level Agreement
SNAP	Supplemental Nutrition Assistance Program
SOW	Statement of Work
SSCD	System Security Consensus Document
State	The State of Maryland
TANF	Temporary Assistance for Needy Families
UAT	User Acceptance Testing
UI	User Interface
UML	Unified Modeling Language
Vendor	Entity bidding on and performing the work if selected. Synonymous with Offeror or Contractor
WAN	Wide Area Network
XML	Extensible Markup Language
WBS	Work Breakdown Structure
WCAG	Web Content Accessibility Guidelines

### **1.3 CONTRACT TYPE**

The contract resulting from this solicitation shall be a Firm-Fixed-Price (FFP) contract for all work performed by the successful bidder. For additional services, Vendors are requested to provide information on Offeror's Capability and Labor Rates in the Offeror's Financial Proposal as specified in section 3.5. Additional services may be procured through Task Orders approved by MHBE.

### **1.4 CONTRACT DURATION**

The Contract resulting from this RFP shall be for a period for two (1) year beginning on or about July 1, 2014 and ending on June 30, 2015. At the sole option of the MHBE, the contract period may be extended for up to two (1) year periods. In addition, if the MHBE elects to issue a Task Order for additional services, the Contract shall be extended for the applicable period. The Offeror shall provide services upon receipt of a Notice to Proceed (NTP) from the Procurement Officer.

### **1.5 PROCUREMENT OFFICER**

The sole point of contact in the MHBE for purposes of this RFP prior to the award of any Contract is the Procurement Officer at the address listed below:

Roger A. Lewis  
Maryland Health Benefit Exchange 750  
East Pratt Street  
16<sup>th</sup> Floor  
Baltimore, Maryland 21202  
Office Phone: (410) 547-1277  
Fax: (410) 547-7373  
E-mail: [hix.procurement@maryland.gov](mailto:hix.procurement@maryland.gov)

The MHBE may change the Procurement Officer at any time by written notice.

### **1.6 CONTRACT MONITOR**

The Contract Monitor for this contract after it is awarded is:

Isabel FitzGerald, Secretary  
Department of Information Technology  
E-mail: [isabel.fitzgerald@maryland.gov](mailto:isabel.fitzgerald@maryland.gov)

The MHBE may change the Contract Monitor at any time by written notice.

### **1.7 PRE-PROPOSAL CONFERENCE**

A Pre-Proposal Conference will be held on May 1, 2014 beginning at 1:00 pm Local Time, at the Maryland Department of Health and Mental Hygiene (DHMH), 201 West Preston Street, Lobby Level Conference Center, Conference Room No. L3, Baltimore, MD 21201.

Attendance at the Pre-Proposal Conference is not mandatory, but all interested Offerors are encouraged to attend in order to facilitate better preparation of their proposals. The MHBE will attempt to answer every question but its responses may be subject to clarification later. Moreover, the responses given verbally by State representatives are not binding upon the State and are for informational purposes. Should substantive

issues be raised which cause the solicitation to be amended, all prospective Offerors known to have received a copy of this RFP will receive the amendment(s).

As promptly as is feasible, after the conference, a summary of it and all questions and answers known at that time will be distributed to all prospective Offerors known to have received a copy of this RFP. This summary will also be posted on eMaryland Marketplace (eMM).

In order to assure adequate seating and other accommodations at the Pre-Proposal Conference, please mail or email the Pre-Proposal Conference Response Form to the attention of the Procurement Officer (see section 1.5) no later than April 28, 2014 at 10 am Local Time. The Pre-Proposal Conference Response Form is included as **Attachment E** to this RFP. In addition, if there is a need for a sign language interpretation and/or other special accommodations for individuals with disabilities, please call the Procurement Officer no later than April 28, 2014 at 10 am Local Time. The MHBE will make a reasonable effort to provide such special accommodations.

### **1.8 eMARYLAND MARKETPLACE**

Each Offeror must indicate its eMM vendor number in the Transmittal Letter (cover letter) submitted at the time of its Technical Proposal submission in response to this RFP.

eMM is an electronic commerce portal administered by the Maryland Department of General Services (DGS). In addition to using the MHBE website and possibly other means of transmission, the RFP, associated materials, summary of the Pre-Proposal Conference, Offeror questions and MHBE responses, addenda, and other solicitation-related information will be provided via eMM and through the Procurement Officer.

In order to receive a contract award, an Offeror must be registered on eMM. Registration is free. Go to <https://ebidmarketplace.com/> and click on "Registration" to begin the process, then follow the prompts.

### **1.9 QUESTIONS**

Written questions and exceptions to the RFP and Contract from prospective Offerors will be accepted by the Procurement Officer prior to the pre-proposal conference. As reasonably possible and appropriate, such questions will be answered at the pre-proposal conference. (No substantive question will be answered prior to the pre-proposal conference.) Questions and exceptions may be submitted by e-mail [hix.procurement@maryland.gov](mailto:hix.procurement@maryland.gov) to the Procurement Officer. Questions and exceptions, both oral and written, will also be accepted from prospective Offerors attending the Pre-Proposal Conference. As reasonably possible and appropriate, these questions and exceptions will be answered at the Pre-Proposal Conference, or shortly thereafter.

All questions and exceptions will be accepted until May 6 at 3:00 PM. By Monday, May 12, 2014, answers to all substantive questions and exceptions that have not previously been answered, and are not clearly specific only to the requestor, will be made available through eMaryland marketplace and on the MHBE's website [www.marylandhbe.com](http://www.marylandhbe.com).

### **1.10 PROPOSALS DUE - DATE AND TIME**

An unbound original and five (5) bound copies of each proposal (technical and financial) must be received by the Procurement Officer, at the address listed in section 1.5, no later than 3:00 pm Local Time on **May 16, 2014** in order to be considered. An electronic version written onto a CD of the Technical Proposal in MS Word 2007 or newer must be enclosed with the original Technical Proposal. An electronic version written onto a CD of the Financial Proposal in MS Word 2007 version

or newer must be enclosed with the original Financial Proposal. An additional electronic version of each of the Technical Proposal and the Financial Proposal (MS Word Version 2007 or newer) shall be submitted on CD for disclosure in response to Public Information Act (PIA) requests. This copy shall be redacted so that confidential and/or proprietary information has been concealed or removed. Ensure that the CDs are labeled with the RFP title, RFP number, and Offeror name and packaged with the original copy of the appropriate proposal (technical or financial) (see Section Proposals).

Requests for extension of this date or time will not be granted. Offerors mailing proposals should allow sufficient mail delivery time to ensure timely receipt by the Procurement Officer. Proposals received by the Procurement Officer after the due date, **May 16<sup>th</sup> at 3:00 pm Local Time** will not be considered.

Proposals may not be submitted by e-mail or facsimile.

#### **1.11 DURATION OF OFFER**

Proposals submitted in response to this RFP are irrevocable for the later of: 1) 180 days following the closing date of proposals or of BAFOs if requested, or 2) 30 days following the date when any and all protests related to this RFP have been finally resolved. This period may be extended at the Procurement Officer's request only with the Offeror's written agreement.

#### **1.12 REVISIONS TO THE RFP**

If it becomes necessary to revise this RFP before the due date for proposals, addenda will be provided to all prospective Offerors who were sent this RFP or are otherwise known to the Procurement Officer to have obtained this RFP. In addition, addenda to the RFP, made after the due date for proposals, will be posted on the MHBE web page and through eMM. Addenda will be sent only to those Offerors who submitted a timely proposal.

Acknowledgement of the receipt of addenda to the RFP issued after the proposal due date shall be in the manner specified in the addendum notice. Failure to acknowledge receipt of an addendum does not relieve the Offeror from complying with its terms, additions, deletions, or corrections.

#### **1.13 CANCELLATIONS & DISCUSSIONS**

The MHBE reserves the right to cancel this RFP, accept or reject any and all proposals (in whole or in part) received in response to this RFP, to waive or permit cure of minor irregularities, and to conduct discussions with all qualified or potentially qualified Offerors in any manner necessary to serve the best interests of the MHBE. The MHBE also reserves the right, in its sole discretion, to award a Contract based upon the written proposals received without prior discussions or negotiations.

#### **1.14 ORAL PRESENTATION**

Offerors may be required to make oral presentations to MHBE representatives. Offerors must confirm in writing any substantive oral clarification of, or change in, their proposals made in the course of discussions. Any such written clarification or change then becomes part of the Offeror's proposal and is binding if the Contract is awarded. The Procurement Officer will notify Offerors of the time and place of oral presentations.



### **1.15 INCURRED EXPENSES**

The Exchange will not be responsible for any costs incurred by an Offeror in preparing and submitting a proposal, in making an oral presentation, in providing a demonstration, or in performing any other activities relative to this solicitation.

### **1.16 ECONOMY OF PREPARATION**

Proposals should be prepared simply and economically and provide a straightforward and concise description of the Offeror's proposals to meet the requirements of this RFP. The technical proposal, excluding resumes of key personnel and preliminary project documentation submissions as outlined in Section 2.4, and required forms, is limited to a total of 75 pages.

### **1.17 PROTESTS**

Any protest related to this solicitation shall be subject to the provisions of the Procurement Policies and Procedures of the Exchange (PPP). A copy of the PPP may be found on the website of the Exchange at: [http://marylandhbe.com/wp-content/uploads/2012/10/Permanent\\_Procurement\\_Policies1.pdf](http://marylandhbe.com/wp-content/uploads/2012/10/Permanent_Procurement_Policies1.pdf)

### **1.18 DISPUTES**

Any contract dispute related to the resulting Contract shall be subject to the Disputes provision set forth in the Contract, which is **Attachment A** to this RFP.

### **1.19 MULTIPLE OR ALTERNATE PROPOSALS**

Neither multiple nor alternate proposals will be accepted.

### **1.20 PUBLIC INFORMATION ACT NOTICE**

An Offeror should give specific attention to the clear identification of those portions of its proposal that it considers confidential and/or proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the Exchange under the Public Information Act, Md. Code Ann., State Government Article, Title 10, Subtitle 6. This confidential and/or proprietary information should be identified by page and section number and placed after the Title Page and before the Table of Contents in the Offeror's Technical Proposal.

### **1.21 OFFEROR RESPONSIBILITIES**

The selected Offeror shall be responsible for all products and services required by this RFP. All subcontractors must be identified and a complete description of their role relative to the proposals must be included in the Offeror's proposal. Additional information regarding Minority Business Enterprise (MBE) subcontractors is provided under paragraph 1.25. If an Offeror that seeks to perform or provide the services required by this RFP is a subsidiary of another entity, all information submitted by the Offeror, such as, but not limited to, references and financial reports shall pertain exclusively to the Offeror unless the parent organization will guarantee the performance of the subsidiary. If applicable, the Offeror's proposal must contain an explicit statement that the parent organization will guarantee the performance of the subsidiary.

## 1.22 STANDARD CONTRACT EXCEPTIONS

By submitting an offer in response to this RFP, an Offeror, if selected for award, shall be deemed to have accepted the terms and conditions of this RFP and the Contract, attached herein as **Attachment A**. Any exceptions to this RFP or the contract must be submitted with the proposal, in a separate section clearly marked exceptions. Exceptions may not contain any financial information. All financial information shall be included in the financial proposal. . E x c e p t i o n s to the solicitation or Contract made by the Offeror may result in rejection of the Offeror's proposals.

## 1.23 PROPOSAL AFFIDAVIT

A proposal submitted by an Offeror must be accompanied by a completed Bid/Proposal Affidavit. A copy of this Affidavit is included as **Attachment B** of this RFP.

## 1.24 CONTRACT AFFIDAVIT

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Offeror will be required to complete a Contract Affidavit. A copy of this Affidavit is included as **Attachment C** of this RFP. This Affidavit must be provided within five (5) business days of notification of proposed Contract award, however, to speed processing the Offeror is urged to include it with the Technical Proposal.

## 1.25 MINORITY BUSINESS ENTERPRISES

A minimum overall MBE sub-contractor participation goal of 30%, with subgoals of 7% for African- American-owned MBEs, 2% for Hispanic-American-owned MBEs, and 8% for women-owned MBEs, has been established for the services resulting from this contract.

An Offeror must include with its offer a completed Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D-1) whereby:

- (1) The Offeror acknowledges the certified MBE participation goal or requests a waiver, commits to make a good faith effort to achieve the goal, and affirms that MBE subcontractors were treated fairly in the solicitation process.
- (2) The Offeror responds to the expected degree of Minority Business Enterprise participation as stated in the solicitation, by identifying the specific commitment of certified MBEs at the time of submission. The bidder or Offeror shall specify the percentage of contract value associated with each MBE subcontractor identified on the MBE Participation Certification.

***If a bidder or Offeror fails to submit Attachment D-1 with the bid or offer as required, the Procurement Officer shall deem the bid non-responsive or shall determine that the Offeror is not reasonably susceptible of being selected for award.***

Offerors are responsible for verifying that the MBE(s) selected to meet the subcontracting requirement and subsequently identified in **Attachment D-1** is appropriately certified and has the correct NAICS codes allowing it to perform the intended work. The MDOT MBE Directory may be found on the Web at: <http://mbe.mdot.State.md.us/directory/>.

Offerors, including those Offerors that are certified MBEs, shall:

- Identify specific work categories within the scope of the procurement appropriate for subcontracting.

- Solicit certified MBEs in writing at least 10 days before bids or proposals are due, describing the identified work categories and providing instructions on how to bid on the subcontracts.
- Attempt to make personal contact with the certified MBEs solicited and to document these attempts.
- Assist certified MBEs to fulfill, or to seek waiver of, bonding requirements.
- Attend pre-bid or other meetings the procurement agency schedules to publicize contracting opportunities to certified MBEs.

Within 10 working days from notification that it is the apparent awardee or from the date of the actual award, whichever is earlier, the apparent awardee must provide the following documentation to the Procurement Officer.

- (1) Outreach Efforts Compliance statement (**Attachment D-2**).
- (2) Subcontractor Project Participation statement (**Attachment D-3**).
- (3) If the apparent awardee believes a waiver (in whole or in part) of the overall MBE goal or of any sub goal is necessary, it must submit a fully documented waiver request.
- (4) Any other documentation required by the Procurement Officer to ascertain Offeror responsibility in connection with the certified MBE participation goal.

***If the apparent awardee fails to return each completed document within the required time, the Procurement Officer may determine that the apparent awardee is not responsible and therefore not eligible for contract award. If the contract has already been awarded, the award is voidable.***

A current directory of certified Minority Business Enterprises is available through the Maryland State Department of Transportation, Office of Minority Business Enterprise, 7201 Corporate Center Drive, P.O. Box 548, Hanover, Maryland 21076. The phone numbers are 410-865-1269, 1-800-544-6056 or TTY 410-865-1342. The directory is also available at <http://www.mdot.State.md.us>. The most current and up-to-date information on Minority Business Enterprises is available via this website.

The Bidder/Offeror is advised that liquidated damages will apply in the event the Contractor fails to comply in good faith with the provisions of the MBE program and pertinent Contract provisions. (See **Attachment A**, §34).

**1.26 ARREARAGES**

By submitting a response to this solicitation, each Offeror represents that it is not in arrears in the payment of any obligations due and owing the State or the Exchange, including the payment of taxes and employee benefits, and that it shall not become in arrears during the term of the Contract if selected for Contract award.

**1.27 PROCUREMENT METHOD**

This Contract will be awarded in accordance with the competitive sealed proposals process under PPP § II.B.

**1.28 VERIFICATION OF REGISTRATION AND TAX PAYMENT**

Before a corporation can do business in the State it must be registered with the Department of

## Assessments and Taxation.

Address: State Office Building, Room 803  
301 West Preston Street  
Baltimore, Maryland 21201

Web Address: <http://www.dat.State.md.us/sdatweb/datanote.html>

It is strongly recommended that any potential Offeror complete registration prior to the due date for receipt of proposals. An Offeror's failure to complete registration with the Department of Assessments and Taxation may disqualify an otherwise successful Offeror from final consideration and recommendation for Contract award.

The successful Offeror shall be responsible for ensuring that all Sub-Contractors meet these requirements, and further, that the Offeror and all Sub-Contractors shall meet these requirements for the duration of the contract, including option years.

### **1.29 PAYMENTS BY ELECTRONIC FUNDS TRANSFER**

By submitting a response to this solicitation, the Offeror agrees to accept payments by electronic funds transfer unless the State Comptroller's Office grants an exemption. Payment by electronic funds transfer is mandatory for contracts exceeding \$100,000. The selected Offeror shall register using the COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption. The COT/GAD X-10 form can be downloaded at:

<http://compnet.comp.State.md.us/gad/pdf/GADX-10.pdf>

### **1.30 LIVING WAGE REQUIREMENTS**

While the Exchange is an "exempt unit" under Division II of the State Finance and Procurement Article, the Exchange requires the successful Offeror to pay the living wage amounts, as set forth in Title 18 of the State Finance and Procurement Article and any accompanying regulations (the "Living Wage Law"). Additional information regarding the State's Living Wage requirement is contained in **Attachment G** entitled *Living Wage Requirements for Service Contracts*. If the Offeror fails to complete and submit the required Living Wage documentation, the Exchange may determine an Offeror to be not responsive.

Offerors and Sub-Contractors shall pay each covered employee at least as much as the hourly wage set forth in the Living Wage law (see amounts at <http://www.dllr.State.md.us/labor/prev/livingwage.shtml>). The contract resulting from this solicitation will be deemed to be a Tier 1 contract.

Information pertaining to reporting obligations may be found by going to the Department of Labor, Licensing and Regulation (DLLR) Website <http://www.dllr.State.md.us/labor/> and clicking on Living Wage.

### **1.31 PROMPT PAYMENT POLICY**

The successful Offeror must comply with the prompt payment requirements set forth in the Contract resulting from this solicitation (see Attachment A). Guidance for prompt payment of subcontractors can be found in the Prompt Payment Policy Directive issued by the Governor's Office of Minority Affairs and dated August

1, 2008. Additional information is available on the GOMA website at:

[http://www.mdminoritybusiness.com/documents/PROMPTPAYMENTFAQs\\_000.pdf](http://www.mdminoritybusiness.com/documents/PROMPTPAYMENTFAQs_000.pdf)

### **1.32 FEDERAL FUNDING ACKNOWLEDGEMENT AND CERTIFICATIONS**

This solicitation does include federal funds. The source of these federal funds is: Department of Health and Human Services. The CFDA number is: 93.525. The conditions that apply to all federal funds awarded by the Department are contained in Federal Funds Attachment H. Any additional conditions that apply to the use of federal funds under this contract are contained in Federal Funds Attachment H. By submitting an offer in response to this RFP, an Offeror represents that it shall comply with all conditions set forth in Attachment H. The conditions set forth in Attachment H shall be considered a substantive part of any resulting Contract.

### **1.33 CONFLICT OF INTEREST AFFIDAVIT AND DISCLOSURE**

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Offeror's personnel and each of the participating subcontractor personnel shall be required to complete agreements such as **Attachment I** Conflict of Interest Affidavit and Disclosure.

### **1.34 RETAINAGE**

Ten percent (10%) of each invoice shall be held by the Exchange as retainage. If the successful Offeror awarded a Contract fails to meet the requirements as defined in the Contract, the Offeror shall rectify the performance problem or complete the specification to the satisfaction of the Contract Monitor within thirty (30) Days or as directed by the Contract Monitor, at no cost to the Exchange. If the Contract Monitor is not satisfied within this timeframe, the Contract Monitor may require forfeiture of the retainage.

The Offeror shall submit a separate invoice for the retainage release no earlier than six months (6) after the end of the base period of the contract. The Offeror shall track the cumulative retainage amount and display this amount on the invoices until the retainage is released by the Contract Monitor.

### **1.35 COTS SOFTWARE**

In any response to this RFP in which an Offeror proposes the purchase of any COTS software, an Offeror shall specifically identify in its proposal the brand name, and other specifics for each product of COTS software proposed for use by the State, the quantity needed, and a selling price for which it will provide the COTS software.

By responding to this RFP and accepting a contract award, an Offeror specifically agrees that for any COTS software that it proposes for use by the State in response to this RFP, the State will have the right to purchase the COTS software from another source, instead of from the selected Offeror.

The State requires that the Offeror price individual software modules separately. The State reserves the right to purchase individual software modules separately without having to purchase all software modules. The State also requires that the Offeror provide fully functional evaluation software and multiple-user licenses for purchase upon award of contract. All functionality must be available in the evaluation software.

### **1.36 WITHDRAWALS**

Proposals may be withdrawn by written notice to the Procurement Officer prior to the closing date/deadline

for submission of proposals.

### **1.37 SUBSTITUTION OF PERSONNEL**

All personnel described in the Offeror's proposal, or identified at the initiation of the Contract as key staff or key personnel, shall perform continuously for the duration of the contract and for so long as performance is satisfactory to the Contract Monitor.

The Offeror may not substitute key personnel, other than by reason of an individual's death, sudden illness, termination of employment, or other extraordinary circumstances without the prior written approval of the Contract Monitor. To replace any key personnel specified in the Offeror's proposal, the Offeror shall submit to the Contract Monitor: a) a detailed explanation of the reason(s) or the substitution request; b) the resumes of the proposed substitute personnel; c) the official resume of the current personnel for comparison purposes; and d) copies of any required credentials. The Offeror shall make this submission at least two (2) weeks prior to the desired effective date of substitution. All proposed substitute personnel shall be interviewed by the Exchange, shall have qualifications at least equal to those of the replaced personnel, and shall be approved by the Contract Monitor. The Contract Monitor will notify the Offeror in writing of the acceptance, denial, contingent or temporary approval for a specified time limit of the proposed substitute personnel. The Contract Monitor will not unreasonably withhold approval of a requested key personnel replacement.

The Contract Monitor may direct the Offeror to replace any staff whom the Contract Monitor deems as being unqualified, non-productive, unable to fully perform his/her job duties, disruptive, or who has committed a major infraction of law or State requirements, or for any other good faith basis. Normally, the Contract Monitor shall give written notice of performance issues to the Offeror, clearly describing the problem and delineating remediation requirement(s). The Offeror shall respond with a written remediation plan within three (3) business days and implement the plan immediately upon written acceptance of the Contract Monitor. If performance issues persist, the Contract Monitor may give written notice or request the immediate removal of person(s) whose performance is at issue, and determine whether a substitution is required. If so required, the individual(s) shall be replaced within 15 days of the notice of performance issues.

If deemed appropriate in the sole discretion of the Contract Monitor, the Contract Monitor shall direct that the individual be replaced immediately and without notice or a remediation plan.

### **1.38 TAX EXEMPTIONS**

The State is generally exempt from Federal excise taxes, Maryland sales and use taxes, District of Columbia sales taxes and transportation taxes. Exemption certificates shall be completed upon request.

### **1.39 COMPLIANCE WITH FEDERAL ACA AND STATE CONFIDENTIALITY LAW**

Based on the determination by the Exchange that the functions to be performed in accordance with Section 2 of this RFP may require access to Personally Identifiable Information (PII) protected pursuant to 45 C.F.R. § 155.260 and subject to protection pursuant to 45 C.F.R. § 155.270, which requires compliance with certain sections of HIPAA, the bidder shall execute a Trading Partner Agreement substantially in the form set forth in **Attachment J**, as the same may be revised

to comply with any updated ACA regulations.

Offeror acknowledges its duty to become familiar with and comply, to the extent applicable, with all requirements of all requirements of the Patient Protection and Affordable Care Act of 2010, Pub. L. 111-148, as amended by the Health Care Education and Reconciliation Act of 2010, Pub. L. 111-152, and all relevant regulations promulgated thereunder and made applicable thereto (collectively, the ACA), including but not limited to 45 C.F.R. § 155.270(a), making applicable, in certain circumstances, 45 C.F.R. Parts 160 and 162. The Offeror also agrees to comply where applicable with the Maryland Confidentiality of Medical Records Act (Md. Code Ann. Health-General §§4-301 et seq., MCMRA). Further, the Offeror agrees that it shall not use or disclose personally identifiable information (PII) in a manner that would violate 45 C.F.R. § 155.260 if done by MHBE. These obligations include:

- A. As necessary, adhering to the privacy and security requirements for personally identifiable information and the transmission of all electronic information compatible with ACA requirements and the policies and procedures of MHBE;
- B. Providing training and information to employees regarding confidentiality obligations as to PII, including health and financial information, and securing acknowledgement of these obligations from employees to be involved in the contract; and
- C. Otherwise providing good information management practices regarding all health information and medical records.

The fully executed Trading Partner Agreement must be submitted within ten (10) working days after notification of award or award of contract, whichever is earlier. Should the Trading Partner Agreement not be submitted upon expiration of the ten-day period as required by this solicitation, the Procurement Officer, upon approval of the Board of Trustees, may withdraw the recommendation for an award and make an award to the next qualified Offeror.

For the purposes of this RFP, the term “personally identifiable information” shall have the meaning set forth in OMB Memorandum M-07-16 (May 22, 2007). (“PII refers to information which can be used to distinguish or trace an individual’s identity, such as their name, social security number, biometric records, etc., alone, or when combined with other personal or identifying information which is linked or linkable to a specific individual, such as date and place of birth, mother’s maiden name, etc.”), as required in the Computer Matching Agreement between CMS and MHBE..

## SECTION 2 SCOPE OF WORK

### 2.1 OVERVIEW OF THE QA/QC IV&V WORK EFFORT

The overall goal of the QA/QC IV&V contract is to assess whether Maryland and its IT vendors remain focused and on track, continuing to implement and enhance the requisite technology for the Maryland Health Connection system. This contract will provide oversight and work to assure that all the other specified requirements for Medicaid Expansion and Exchanges under the Affordable Care Act are addressed. The State requires the QA/QC IV&V vendor to plan its work activities and deliverables according to the following high-level objectives:

- A) Aid MHBE in strategic, enterprise-level planning, and assess / assure technology capabilities meet the needs of the agency as well as align with the organizational mission.
- B) Objectively monitor, control, and gain visibility into the software development and maintenance process to assure delivered products satisfy contractual terms, meet or exceed quality standards, and comply with MHBE's approved system development process.
- C) In addition to supporting Maryland's corrective action remediation plans with CMS, perform independent validation and verification (IV&V) services.
- D) Provide subject matter expertise to the planning and execution of information technology initiatives that meet the goals of MHBE.

The QA/QC IV&V vendor will work with MHBE and various application development contractors to collectively meet and support needs of MHBE. The State understands that in some instances, enhanced coordination among all parties will be necessary to effectively support this effort. This coordination will be directed by the MHBE PMO and facilitated by all parties to achieve successful outcomes.

MHBE may optionally award a task order for additional IV&V assessment, recommendation and remediation tasks. This optional task order may require the QA/QC IV&V vendor to assist in implementing corrective actions. Additionally, the Exchange may decide that as a result of the Deliverable Observation Report (see section 2.6) that it will assign additional deliverables to the QA/QC IV&V vendor.

Any optional task order award will result in an official authorization of additional scope and may include budget to perform those tasks. Additionally, the MHBE at its option may also issue a no-cost extension to the QA/QC IV&V vendor to complete the work for either the fixed price portion of the contract or the optional task order period.

Due to the nature of the tasks performed by the QA/QC IV&V vendor, the QA/QC IV&V vendor will be precluded from development, implementation, or hosting projects for the Maryland Health Benefit Exchange. The QA/QC IV&V vendor will be precluded both as the prime and as a subcontractor. In addition, certain other opportunities may result in a conflict of interest, and the QA/QC IV&V vendor should consult with MHBE and/or request an opinion from the Maryland State Ethics Commission, as necessary.



## 2.2 AREAS OF SUPPORT

The QA/QC IV&V vendor will focus its support in the following areas:

- A) Project management processes consistent with: 1) the project management knowledge areas described in the Project Management Institute's (PMI) Project Management Body of Knowledge (PMBOK) with emphasis on Time, Scope, Risk, Quality, and Cost Management; 2) adherence to the State of Maryland's SDLC methodology; and 3) project management documents provided by the SI vendor and COTS teams, subsequently approved by the State.
- B) Project governance, meaning the extent to which the State and its contractors have effectively: 1) defined roles and expectations among all internal and external stakeholders; 2) implemented an appropriate flow of project information among stakeholders; 3) instituted a process for review and response to project issues including escalation to the executive sponsors; and 4) instituted a process for executive approvals (for example, sign-off on SDLC documents) at appropriate project milestones.
- C) Technical conformance of the IT solution with the project requirements, specifically: 1) all functional requirements defined by the State and required by CCIIO as conditions of operating a state-based Exchange; 2) the architectural and non-functional requirements of the State and the federal government as specified in the IT Vendor RFP, "*Support Maryland Health Benefit Exchange to Implement the Affordable Care Act (ACA)*"; and 3) State and federal standards and guidelines addressing software development methodologies, security and privacy requirements, accessibility, and other relevant standards listed in section 2.9 of this RFP.
- D) Quality of implementation planning for ongoing improvements, development activities, and system enhancements with particular emphasis on ensuring that Maryland is performing the requisite quality assurance tasks to achieve CCIIO certification in accordance *Blueprint for Approval of Affordable State-based and State Partnership Insurance Exchanges.*"
- E) Feasibility of the project schedule, in light of project constraints, the need to integrate contractor managed activities and agency managed activities, and the established timelines for the delivery of the system.

MHBE expects the QA/QC IV&V vendor to use pre-defined checklists and similar tools founded on industry standards in all work to meet the requirements defined in this procurement. Further, the QA/QC IV&V vendor will participate in project meetings and activities to understand the processes, procedures, and tools used in the technical environments, and review and analyze for adherence to accepted, contractually-defined industry standards, all applicable and available documentation. MHBE will assure that the QA/QC IV&V vendor has access to project personnel including those employed by the State and by the IT SI vendor and its subcontractors. As a result of these interactions, deep involvement in project work, and reviews of project schedules and deliverables, the QA/QC IV&V vendor will produce a structured, monthly assessment report that objectively illustrates the strengths and weaknesses of the Project. Upon request, the monthly report will require additional assessments and recommendations for correcting the weaknesses as well as exploiting the documented strengths.

## 2.3 REQUIREMENTS AND DETAILED TASKS

All listed activities in Section 2.3 are mandatory and considered a substantive part of this RFP.

### 1. QA/QC IV&V PROJECT TEAM COMPOSITION

It is up to the QA/QC IV&V vendor to propose the mix of staff and its approach to meet the needs of MHBE in supporting this effort.

- A. The QA/QC IV&V vendor's project team shall possess extensive experience and technical expertise in all areas detailed in this RFP. Further, the following vendor project team qualifications and experience are required or, where indicated, desired:
  1. Excellent project management skills demonstrated by progressive responsibility and a proven track record of successful projects.
  2. Active Project Management Professional certification or equivalent certification.
  3. Health and Human Services and/or Health Insurance experience (highly desired).
  4. Hands-on experience managing complex environments, with large-scale system implementation including legacy system conversions and interfaces, and with relational databases.
  5. Experiencing managing operations for large-scale enterprises
  6. At least seven (7) years of program management experience.
- B. The QA/QC IV&V vendor's staff qualifications and skills shall be submitted to and approved by MHBE management prior to project engagement.

As previously stated: due to the nature of the tasks performed by the QA/QC IV&V vendor, the QA/QC IV&V vendor will be precluded from development, implementation, or hosting projects for the Maryland Health Benefit Exchange. The QA/QC IV&V vendor will be precluded both as the prime and as a subcontractor. In addition, certain other opportunities may result in a conflict of interest, and the QA/QC IV&V vendor should consult with the agency and/or request an opinion from the State Ethics Commission.

### 2. PROJECT MANAGEMENT REQUIREMENTS AND DELIVERABLES

This section describes the project management deliverables required for this solicitation. Delivery dates are in business days. Section 2.4 contains a table of all deliverables throughout the requirements that the QA/QC IV&V vendor is expected to create, deliver, and maintain for the duration of the contract.

- A) **Project Schedule.** Within 15 business days of receipt of Notice to Proceed, the QA/QC IV&V vendor shall provide a preliminary project schedule. The schedule will, at a minimum, include a Work Breakdown Structure (WBS), task description, duration, start and end dates, field to track planned start date, revised start date, actual start date, planned end date, revised end date, actual end date, percent complete, and task dependencies. The project schedule shall include all major tasks that will be required to complete the project (the schedule shall encompass the base contract period of performance with placeholders for the option periods). The project schedule shall be developed using MS Project 2010. The contractor will update this schedule on a weekly basis and submit with the weekly status report.

- B) **Preliminary Staffing Plan.** With this response, the QA/QC IV&V vendor shall provide a preliminary Staffing Plan. The Staffing Plan must include an organization chart showing how the contractor proposes to staff the project. The Staffing Plan must name key contractor personnel and clearly describe all resource requirements (all personnel including, but not limited to, title, function, etc.) roles, and responsibilities.
- C) **Final Staffing Plan.** Within 15 business days of receipt of Notice to Proceed, the QA/QC IV&V vendor shall provide a Final Staffing Plan. This plan builds upon the submission of the Preliminary Staffing Plan included in this response. The plan will further elaborate and clearly define how the contractor applies its staffing management approach to its team to achieve maximum benefit to the state. The plan shall include how performance issues are addressed, and what ongoing training is provided to the team that relates to and supports the delivery of this engagement. Review and updates to this plan are expected periodically, within a minimum of quarterly (3 month intervals) and upon approval of any staffing changes by the Contract Monitor.
- D) **Preliminary Communication Plan.** Within 15 business days of receipt of Notice to Proceed, the QA/QC IV&V vendor shall provide a preliminary Communication Plan. The Communication Plan serves as a guideline to manage communications across the enterprise including status reporting and other key communications.
- E) **Final Communication Plan.** Within 40 business days of receipt of NTP, the QA/QC IV&V vendor shall provide a final version of the Communication Plan. Review and updates to this plan are expected periodically, within a minimum of quarterly (3 month) intervals.
- F) **Preliminary Project Management Approach and Methodology.** With this response, the QA/QC IV&V vendor shall provide a preliminary approach to managing the scope of work in this solicitation. It is up to the QA/QC IV&V vendor to determine the blend of project management tools and techniques best suited to achieve success on this engagement. While the state's expectation is that the response is an overview of a more detailed approach and methodology, the Offeror shall provide detail sufficient for MHBE to evaluate how the project will be managed.
- G) **Final Project Management Approach and Methodology.** Within 40 business days of receipt of NTP, the QA/QC IV&V vendor shall develop and submit a Project Management Approach and Methodology Plan. This plan builds upon the submission of the Preliminary Project Management Approach and Methodology included in this response. The plan will further elaborate and clearly define how the contractor applies its project management approach to achieve maximum benefit to the state. Review and updates to this plan are expected periodically, within a minimum of quarterly (3 month) intervals. This plan must describe the QA/QC IV&V vendor's approach to, at a minimum, the following:
1. Approach to issue management and resolution.
  2. Approach to risk management and mitigation.
  3. Approach to managing the proposed resources.
  4. Description of how project documentation will be managed and maintained.
  5. Approach to and recommendations for using specific project management tools, processes, and procedures.
  6. Project deliverable review procedures.

7. Approach to assuring quality in project deliverables (describe how the QA/QC IV&V vendor conducts internal reviews of its contractual deliverables, communications, and other documentation).
  8. Strategy for managing relationships with customers, stakeholders, and vendor partners across the engagement.
  9. Approach to meeting the reporting and communication requirements under this solicitation, including a description of the QA/QC IV&V vendor's proposed method for ensuring adequate and timely reporting of information to MHBE project personnel and executive management.
- H) **Quality Assurance / Quality Control Plan.** Within 40 business days of receipt of Notice to Proceed, the QA/QC IV&V vendor shall develop a QA/QC Plan. The QA/QC Plan will detail how the contractor's methodology will be tailored to address the needs of MHBE. Review and updates to this plan are expected periodically, within a minimum of quarterly (3 month) intervals. The plan will include, at a minimum:
1. QA/QC Methodology.
  2. Approach.
  3. Resource Allocation.
  4. Tools and Processes.
  5. Templates and Checklists.
- I) **Preliminary Transition Out Plan.** With this response, the QA/QC IV&V vendor shall provide a preliminary approach to transitioning out at contract conclusion. This initial submission shall be an outline of activities the QA/QC IV&V vendor expects to complete to transition in-flight work, responsibilities, and assigned tasks to an incoming QA/QC IV&V vendor. It is up to the offeror to determine the approach needed to successfully transfer responsibility of this work without disruption to the state. While the state's expectation is that the response is an overview of a more detailed approach and methodology, the offeror shall provide detail sufficient for MHBE to evaluate how the transition out activities will be managed.
- J) **Final Transition Out Plan.** Within 250 days from the receipt of the NTP, the QA/QC IV&V vendor shall develop and submit the Final Transition Out Plan. This plan builds upon the submission of the Preliminary Transition Out Plan submitted with this response. The plan will further elaborate and clearly define how the contractor intends to transition responsibility for work to an incoming vendor without disruption to the state and its operations. The Transition Out Plan will be updated no less than 60 days prior to the end of the option period if MHBE exercises one or more of the options. This plan must describe the QA/QC IV&V vendor's approach to, at a minimum, the following:
1. Transition Scope (in scope, out of scope, assumptions, constraints, dependencies, and specific requirements).
  2. Success Measures (QA/QC IV&V vendor, MHBE contract owners and leadership, state stakeholders, incoming vendor, etc.).

3. Staffing allocation to support transition out activities and maintain service levels without disruption to the state and its operations.
  4. Transition Approach (initiation, tasks, execution, monitoring and reporting, and finalization).
  5. Approach to and recommendations for using specific project management tools, processes, and procedures.
- K) **Weekly Status Report.** The QA/QC IV&V vendor shall produce a weekly status report. The format, content, and due date of the report will be determined jointly with MHBE following NTP and project kick-off. Submission of weekly status reports must begin within 15 business days of receipt of NTP.
- L) **Weekly Status Meeting.** The QA/QC IV&V vendor shall hold a weekly status meeting, during which the weekly status report will be submitted and discussed. The format, content, and day of the weekly meeting will be determined jointly with MHBE following NTP and project kick-off. Submission of weekly status reports must begin within 15 business days of receipt of NTP.
- M) **Monthly IV&V Report.** Within 30 business days of receipt of NTP, the QA/QC IV&V vendor shall create and submit a monthly report as described in Section 2.3.4. The format, content, and day of submission will be determined jointly with MHBE following NTP and project kick-off.
- N) **Project Kick-off Meeting.** Within 15 business days of receipt of NTP, the QA/QC IV&V vendor shall conduct a project kick-off meeting. This kick-off meeting shall provide MHBE and its vendors an overview of the work the Offeror is planning to undertake, the specific order in which it shall occur, and associated deliverables. Any meeting materials will be reviewed and approved by MHBE prior to the meeting.
- O) **Deliverable Submission and Acceptance Procedures.** Within 5 business days of receipt of NTP, the QA/QC IV&V vendor shall develop and submit written documentation of the QA/QC IV&V vendor's deliverable submission and acceptance procedures. The QA/QC IV&V vendor shall also submit acceptance / sign-off templates. Both the procedures and templates must be approved by the Contract Monitor.
- P) **Project Library.** Within 20 business days of receipt of NTP, the QA/QC IV&V vendor shall create and begin to maintain an electronic project library. At a minimum, the library will contain copies of the solicitation RFP, the QA/QC IV&V vendor's proposal and attachments, contract, and all final work products as assigned and contractually required. Upon conclusion of this contract, the library will be delivered to the MHBE. The library shall be maintained, backed up as needed, and monitored throughout the contract to assure its security and integrity.
- Q) **Proprietary, Exclusive-Use, Limited-License Software.** The QA/QC IV&V vendor shall NOT use any proprietary, exclusive-use, or limited-license software without submitting a written request. At a minimum, the written request must contain a business case including justification, benefit, and a detailed description of the proposed software including all applicable details of ownership, transference, cost, security considerations. The request shall also contain the process to assure that MHBE retains ownership of all its data regardless of the tool proposed, including the process whereby upon request, MHBE may request and the QA/QC IV&V vendor must provide that data in a format compatible with MHBE's needs. Further, the request will contain options explored, pros/cons of each, and the reasoning regarding the final

recommendation. The written request shall be submitted, reviewed, and approved prior to the implementation of any proprietary, exclusive-use, or limited-license software.

### **3. QUALITY ASSURANCE, QUALITY CONTROL (QA/QC)**

- A) As part of its role to provide QA/QC support to MHBE, the QA/QC IV&V vendor shall assure that the MHBE PMO has established and deployed a common set of project management processes and templates, which saves each project manager from having to create these on their own. These reusable project management components help projects start-up quickly and with less effort. The QA/QC IV&V vendor shall be responsible for monitoring the use of existing templates, suggesting improvements, and creating new templates to address business needs. In addition, if the QA/QC IV&V vendor observes that a process could be improved, or is missing a critical component, the vendor shall recommend and propose improvements. Any processes and templates will be produced in draft format for MHBE review and input; MHBE has final approval over the finished product.
- B) As new or revised PMO processes and templates are made available, the QA/QC IV&V vendor shall be responsible for consistently deploying them to the organization. The QA/QC IV&V vendor shall be responsible for ensuring adoption of the new templates and processes and will assist project teams in filling out templates as needed. This response should clearly define how the QA/QC IV&V vendor will assure the adoption of templates and processes and what metrics and processes it will use to monitor the adoption and satisfaction of the project teams.
- C) The QA/QC IV&V vendor shall facilitate the creation of common project repositories as directed by MHBE. The QA/QC IV&V vendor shall assure the repositories are kept up-to-date and easily accessible by the project teams.
- D) The QA/QC IV&V vendor shall be responsible for providing project management training or coordinating training classes for the MHBE PMO and its designees. The QA/QC IV&V vendor shall provide training through an external vendor to build core project management competencies as well as soft skills such as communication and conflict resolution. Training shall be provided no more (not to exceed) three (3) times annually and for no more than (not to exceed) 20 attendees per one-day workshop. MHBE will be responsible for providing and scheduling training facilities and working with the QA/QC IV&V vendor and training attendees to manage attendance as needed.
- E) The QA/QC IV&V vendor shall track the current status of all projects and provide concise project health status information to MHBE management. To monitor progress and understand the impacts of possible course deviations, the QA/QC IV&V vendor shall attend project status meetings and management meetings.
- F) The QA/QC IV&V vendor shall track enterprise-wide metrics on the state of project management, project delivery and the value being provided to the business by project management in general, and the MHBE PMO specifically. The PMO shall report on the effectiveness on a quarterly basis and provide suggestions for continuous improvement and information on emerging best practices in project management. The format, content, and review process of the Quarterly Effectiveness Report will be determined jointly with MHBE following NTP and project kick-off. Preparation for and draft submission of the QEP reports must begin within 60 calendar days of receipt of NTP.

- G) The QA/QC IV&V vendor shall provide assistance to project teams in developing project estimates, project charters, requirements, remediation for issues and risks, and scope and stakeholder management. The QA/QC IV&V vendor shall provide project management coaching to help keep projects from deviating from agreed upon scope, timeframes, and budget. Key issues and risks will be immediately elevated to MHBE leadership / management.
- H) The QA/QC IV&V shall participate in and support the MHBE PMO in the work management and release authorization process. It is the responsibility of the QA/QC IV&V vendor to assure the SI and GC and all associated vendors contributing to the MHBE IT technical program adhere to the published processes regarding work authorization.
- I) MHBE expects the QA/QC IV&V team to set an example for appropriate communication, notifications, follow-through, and closure / summary of issues, assuring that upper management and all applicable parties are consistently and promptly informed of project activities. Upon discovery of situations such as unexpected schedule deviations, unauthorized work activities, or unapproved scope expansion, the QA/QC IV&V vendor will immediately inform MHBE and document the issue. The format, content, and process of the written documentation will be determined jointly with MHBE following NTP and project kick-off.
- J) The QA/QC IV&V vendor shall assure all project management resources contribute to and maintain timely updates to the MHBE integrated enterprise project schedule and associated resource allocation for projects within the MHBE IT technical program. The enterprise project schedule and resource allocation status will be discussed each week in the PMO QA/QC IV&V meeting discussions with MHBE.
- K) The QA/QC IV&V vendor shall support the development of statements of work or proposals as directed by MHBE.
- L) The QA/QC IV&V vendor shall have access to industry research such as Gartner or Forrester that it may access on MHBE's behalf to research specific topics as requested by MHBE. MHBE expects that the QA/QC IV&V vendor shall incur the cost outside this contract for the memberships and/or subscriptions to industry research (e.g. Gartner or Forrester). The QA/QC IV&V vendor shall furnish MHBE with the necessary credentials to access the research directly and/or conduct the requested research on behalf of MHBE at the QA/QC IV&V vendor's expense.
- M) The QA/QC IV&V vendor shall participate as a non-voting member in the technical review of submitted proposals for contracts at the request of MHBE, after having previously signed and executed a Statement of Confidentiality.
- N) The QA/QC IV&V vendor shall monitor the vendor performances without directly causing or affecting any changes to the contract.
- O) The QA/QC IV&V vendor shall provide Quality Assurance / Quality Control (QA/QC) support in the transfer and/or development, modification, implementation, pilot operation, enhancement, documentation, conversion, training, and turnover of any new development to which the QA/QC IV&V vendor is assigned by MHBE.
- P) The QA/QC IV&V vendor shall ensure compliance with all Federal and state requirements for the SDLC activities and technical efforts that it monitors.

- Q) The QA/QC IV&V vendor shall prepare or assist MHBE in the preparation of appropriate documentation to achieve maximum Federal financial participation in each step of the process.
- R) Monitoring activities of the QA/QC IV&V vendor shall include quality (including, but not limited to, deliverables and outcomes), budget, and schedule, project schedules, resource allocation, risks, issues, communications, and action items will be continually tracked and evaluated.
- S) The QA/QC IV&V vendor will report to, and receive direction from, the MHBE Contract Monitor. MHBE expects ongoing daily contact with the QA/QC IV&V vendor. The QA/QC IV&V vendor will continually interface with MHBE for strategy sessions to discuss problems or potential issues, solution options, and recommendations.
- T) The QA/QC IV&V vendor personnel will serve as ex officio members on committees and workgroups. The QA/QC IV&V vendor will work closely and cooperatively with implementation teams.
- U) The QA/QC IV&V vendor shall conduct itself such that a status report can be rapidly developed within 4 hours of request on any task, and at any time, if it is required to do so. MHBE expects the QA/QC IV&V vendor to immediately report to the Contract Monitor and/or PMO staff any situation from any area that needs immediate attention to prevent an adverse effect on the quality, schedule, or budget of the affected initiative(s).
- V) The QA/QC IV&V vendor staff will work onsite and will be available during the project's normal working day (8:30am to 6:00pm, Monday through Friday). The contractor may also be required to work on holidays, evenings, and weekends as defined by MHBE. Remote work is on a case-by-case basis, subject to MHBE prior approval
- W) Vendor shall support site visits, inspections, off-site meetings or other activities as defined by MHBE.
- X) The QA/QC IV&V vendor shall support User Acceptance Testing (UAT) activities. Activities shall include:
  - i. Monitoring and documenting daily UAT testing findings and assisting in the compilation of regular reports to MHBE leadership
  - ii. Build knowledge around assigned testing area
  - iii. Assist UAT manager in identifying, recording and documenting impacts of defects; liaison with stakeholders to understand business requirements and urgency of resolution
  - iv. Assure all test plans, test results, and known issues are reviewed and discussed prior to the start of UAT; support the UAT lead with end-to-end testing methodology
  - v. Review all test plans, methodologies, and approaches for adherence to standards and industry practices
- Y) Throughout the contract period, after each meeting, walk-through or document review, the QA/QC IV&V vendor shall provide the MHBE PMO a written assessment of the process and any product. This assessment shall cover areas of strengths and weaknesses that might affect the successful completion of the project(s) being monitored. The areas of monitoring and evaluation will include an on-going assessment of the



effectiveness of the implementation vendor(s), and MHBE:

- i. Organizational structure - Have constraints, possible reconfigurations, and potential impacts on organizational structure been identified?
  - ii. Communication of information - Is it channeled effectively? Is feedback processed appropriately?
  - iii. Participation - Is there adequate involvement of all vested interests?
  - iv. Commitment - Has there been a quantitative assessment of staffing levels as to appropriate level of involvement? Are individuals participating at the expected level?
  - v. Sequencing of tasks - Is a formalized critical path in place? Is it inclusive? Are directional changes incorporated at the point of occurrence?
  - vi. Timeliness - What is the pro-active methodology for ensuring that time frames are met and potential delays are identified?
  - vii. Decisions - Are determinations made at the appropriate juncture, at the appropriate level, and do they produce the appropriate resolution?
  - viii. Resources - Are there sufficient and appropriate people, money and equipment?
  - ix. Milestones - Are the milestones valid? Will they be achieved based on the existing detailed work plans?
  - x. Controls - Are the appropriate techniques and procedures being utilized for change controls and problem resolution?
  - xi. Risk and Issues – Are risks and issues being identified, defined, and mitigated or resolved?
- Z) The QA/QC IV&V vendor shall make presentations regarding project status as required. Presentations will be made using MS PowerPoint or other format as specified by MHBE. Copies of the presentation will be provided in both electronic and hard copy to meeting participants.
- AA) The QA/QC IV&V vendor will regularly review the current project situation and plan against the latest Advance Planning Document Update (APDU) as appropriate. The QA/QC IV&V vendor will assist stakeholders in determining what should be provided, obtain the information needed, and assist as needed with the development of the APDUs. The QA/QC IV&V vendor will support the APDU process from development to submission and work to support any revisions necessary to obtain Federal approval.
- BB) The QA/QC IV&V vendor shall assist the MHBE Team in preparing any required reports to the Secretaries, Department of Information Technology, the Governor's Office, or to the Maryland State Legislature or other parties as directed by MHBE.
- CC) The QA/QC IV&V vendor shall assure the technical quality of all design, development, and other life cycle stage tasks in accordance with accepted-proactive quality standards. Controlling the quality of produced products and services is the responsibility of the QA/QC IV&V vendor's personnel.

#### 4. INDEPENDENT VERIFICATION AND VALIDATION (IV&V)

The QA/QC IV&V vendor will provide a monthly IV&V report. This Section outlines the requirements of this report.

- A) Applicable IV&V analysis and reporting will be performed in accordance with the Institute of Electrical and Electronics Engineers (IEEE) Standard 1012-2012.
- B) The IV&V QA/QC IV&V vendor will also use all other applicable, lifecycle-appropriate IEEE Standards (e.g., 12207 Software Life Cycle Process; 703 Software QA Plans; 1074 Developing Software Project Lifecycle Process; 828 Configuration Management Plans; and, 830 Requirement Specifications, etc., to name a few) in assessing the State’s HIX Project.
- C) Status and reports will be proactive, and all issues, risks and recommendations must be based on quantifiable benchmarks, industry standards or other relevant experience. All recommendations must be constructed in such a way to be realistic and achievable within the project constraints. Any risks, issues or course-correction recommendations that fail to meet these requirements will be removed at the direction of MHBE.
- D) Further, the IV&V QA/QC IV&V vendor will employ the Capability Maturity Model Integrated (CMMI), and the PMBOK Third Edition, and the PMBOK - Government Extension, as additional standards by which to assess the HIX Project, as well as the State SDLC methodology.
- E) Finally, the IV&V QA/QC IV&V vendor will validate that all the State and federal standards cited in the IT Vendors’ RFPs and included in section 2.5 of this document such as the MITA Seven Standards and Conditions are fully adhered to by the HIX Project team.
- F) The following matrix outlines MHBE’s requirements for the IV&V component of this solicitation. The successful Offeror’s Technical Proposal shall contain acknowledgement of and an approach to meeting IV&V reporting requirements outlined below. In the matrix, “PC” stands for “pre-certification” and “OR” for “Operational Readiness.”

##### 1. Project Management

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
<b>Project Sponsorship</b>	<b>PM-1</b>	<b>PC</b>	Assess and recommend improvement, as needed, to assure continuous executive stakeholder buy-in, participation, support and commitment, and that open pathways of communication exist among all stakeholders.
	<b>PM-2</b>	<b>PC</b>	Verify that executive sponsorship has bought-in to all changes which impact project objectives, cost, or schedule.
<b>Management Assessment</b>	<b>PM-3</b>	<b>PC/OR</b>	Verify and assess project management and organization, verify that lines of reporting and responsibility provide adequate technical and managerial oversight of the project.
	<b>PM-4</b>	<b>PC/OR</b>	Evaluate project progress, resources, budget, schedules, work flow, and reporting.
	<b>PM-5</b>	<b>PC/OR</b>	Assess coordination, communication and management to verify agencies and departments are not working independently of one another and following the communication plan.
<b>Project Management</b>	<b>PM-6</b>	<b>PC/OR</b>	Verify that a Project Management Plan is created and being followed. Evaluate the project management plans and procedures to verify that they are developed, communicated, implemented, monitored and complete.
	<b>PM-7</b>	<b>PC/OR</b>	Verify milestones and completion dates are planned, monitored, and met.

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
	PM-8	PC/OR	Verify the existence and institutionalization of an appropriate project issue tracking mechanism that documents issues as they arise, enables communication of issues to proper stakeholders, documents a mitigation strategy as appropriate, and tracks the issue to closure. This should include but is not limited to technical and development efforts.
	PM-9	PC/OR	Evaluate the system's planned life-cycle development methodology or methodologies (waterfall, evolutionary spiral, rapid prototyping, incremental, etc.) to see if they are appropriate for the system being developed.
Risk Management	PM-10	PC/OR	Verify that a Project Risk Management Plan is created and being followed. Evaluate the project's risk management plans and procedures to verify that risks are identified and quantified and that risk responses are developed, communicated, implemented,
Change Management	PM-11	PC/OR	Verify that a Change Management Plan is created and being followed. Evaluate the change management plans and procedures to verify they are developed,
Communication Management	PM-12	PC/OR	Verify that a Communication Plan is created and being followed. Evaluate the communication plans and strategies to verify they support communications and work product sharing between all project stakeholders; and assess if communication plans and strategies are effective, implemented, monitored and complete.
Configuration Management	PM-13	PC/OR	Review and evaluate the configuration management (CM) plans and procedures associated with the development process.
	PM-14	PC/OR	Verify that all critical development documents, including but not limited to requirements, design, code, rule sets, and configurations maintained under an appropriate level of control.
	PM-15	PC/OR	Verify that the processes and tools are in place to identify code versions and to rebuild system configurations from source code.
	PM-16	PC/OR	Verify that appropriate source and object libraries are maintained for training, test, and production and that formal sign-off procedures are in place for approving work products.
Project Estimating and Scheduling	PM-17	PC/OR	Evaluate and make recommendations on the estimating and scheduling process of the project to ensure that the project budget and resources are adequate for the work-breakdown structure and schedule.
	PM-18	PC/OR	Review schedules to verify that adequate time and resources are assigned for planning, development, review, testing and rework.
	PM-19	PC/OR	Examine historical data to determine if the project has been able to accurately estimate the time, labor and cost of software development efforts.
Project Personnel	PM-20	PC/OR	Examine the job assignments, skills, training and experience of the personnel involved in program development to verify that they are adequate for the development task.

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
	PM-21	PC/OR	Monitor staff turnover and report on the effectiveness of staff replacement policies for both SI and State staff and the impacts of staff turnover.
Project Organization	PM-23	PC/OR	Verify that lines of reporting and responsibility provide adequate technical and managerial oversight of the project.
	PM-24	PC/OR	Verify that the project's organizational structure supports training, process definition, independent Quality Assurance, Configuration Management, product evaluation, and any other functions critical for the project's success.
Subcontractors and External Staff	PM-25	PC/OR	Evaluate the use of sub-contractors or other external sources of project staff (such as IT staff from another State organization) in project development.
	PM-26	PC/OR	Verify that the obligations of sub-contractors and external staff (terms, conditions, statement of work, requirements, standards, development milestones, acceptance criteria, delivery dates, etc.) are clearly defined.
	PM-27	PC/OR	Verify that the subcontractors' software development methodology and product standards are compatible with the system's standards and environment.
	PM-28	PC/OR	Verify that the subcontractor has and maintains the required skills, personnel, plans, resources, procedures and standards to meet their commitment. This will include examining the feasibility of any offsite support of the project
	PM-29	PC/OR	Verify that any proprietary tools used by subcontractors have been preapproved by MHBE. Review the business justification and evaluate against the tool and its use. Verify that no proprietary tools restrict the future maintainability, portability, and reusability of the system.
State Oversight	PM-30	PC/OR	Verify that State oversight is provided in the form of periodic status reviews and technical interchanges.
	PM-31	PC/OR	Verify that the State has defined the technical and managerial inputs the subcontractor(s) need (reviews, approvals, requirements and interface clarifications, etc.) and has the resources to supply them on schedule.
	PM-32	PC/OR	Verify that State staff has the ultimate responsibility for monitoring project cost and schedule.

## 2. Quality Management

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
Quality Assurance	QA-1	PC/OR	Evaluate and make recommendations on the project's Quality Assurance plans, procedures and organization.

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
	QA-2	PC/OR	Verify that the QA function has an appropriate level of independence from project management.
	QA-3	PC/OR	Verify that the QA function monitors the fidelity of all defined processes in all phases of the project.
	QA-4	PC/OR	Verify that the quality of all products produced by the project is monitored by formal reviews and sign-offs.
	QA-5	PC/OR	Verify that project self-evaluations are performed and that measures are continually taken to improve the process.
	QA-6	PC/OR	Monitor the performance of the QA function by reviewing its processes and reports and performing spot checks of system documentation; assess findings and performance of the processes and reports.
	QA-7	PC/OR	Verify that QA has an appropriate level of independence; evaluate and make recommendations on the project's Quality Assurance plans, procedures and organization.
	QA-8	PC/OR	Evaluate if appropriate mechanisms are in place for project self-evaluation and process improvement.
	Process Definition and Product Standards	QA-9	PC/OR
QA-10		PC/OR	Verify that all major development processes are defined and that the defined and approved processes and standards are followed in development.
QA-11		PC/OR	Verify that the processes and standards are compatible with each other and with the system development methodology.
QA-12		PC/OR	Verify that all process definitions and standards are complete, clear, up-to-date, consistent in format, and easily available to project personnel

### 3. Training

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
User Training and Documentation	TR-1	OR	Review and make recommendations on the training provided to system users. Verify sufficient knowledge transfer for maintenance and operation of the new system.
	TR-2	OR	Verify that training for users is instructor-led and hands-on and is directly related to the business process and required job skills.
	TR-3	OR	Verify that user-friendly training materials and help desk services are easily available to all users.
	TR-4	OR	Verify that all necessary policy and process and documentation is easily available to users.
	TR-5	OR	Verify that all training is given on-time and is evaluated and monitored for effectiveness, with additional training provided as needed.
Developer Training and Documentation	TR-6	PC/OR	Review and make recommendations on the training provided to system developers.
	TR-7	PC/OR	Verify that developer training is technically adequate, appropriate for the development phase, and available at appropriate times.
	TR-8	PC/OR	Verify that all necessary policy, process and standards documentation is easily available to developers.
	TR-9	PC/OR	Verify that all training is given on-time and is evaluated and monitored for effectiveness, with additional training provided as needed.

#### 4. Requirements Management

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
Requirements Management	RM-1	PC/OR	Evaluate and make recommendations on the project's process and procedures for managing requirements.
	RM-2	PC/OR	Verify that system requirements are well-defined, understood and documented.
	RM-3	PC/OR	Evaluate the allocation of system requirements to hardware and software requirements.
	RM-4	PC/OR	Verify that software requirements can be traced through design, code and test phases to verify that the system performs as intended and contains no unnecessary software elements.
	RM-5	PC/OR	Verify that requirements are under formal configuration control.
Security Requirements	RM-6	PC/OR	Evaluate and make recommendations on project policies and procedures for ensuring that the system is secure and that the privacy of client data is maintained.
	RM-7	PC/OR	Evaluate the project's restrictions on system and data access.
	RM-8	PC/OR	Evaluate the project's security and risk analysis.
	RM-9	PC/OR	Verify that processes and equipment are in place to back up client and project data and files and archive them safely at appropriate intervals.
Requirements Analysis	RM-10	PC/OR	Verify that an analysis of client, State and federal needs and objectives has been performed to verify that requirements of the system are well understood, well defined, and satisfy federal regulations.
	RM-11	PC/OR	Verify that all stakeholders have been consulted to the desired functionality of the system, and that users have been involved in prototyping of the user interface.
	RM-12	PC/OR	Verify that all stakeholders have bought-in to all changes which impact project objectives, cost, or schedule.
	RM-13	PC/OR	Verify that performance requirements (e.g. timing, response time and throughput) satisfy user needs.
	RM-14	PC/OR	Verify that user's maintenance requirements for the system are completely specified.
Interface Requirements	RM-15	PC/OR	Verify that all system interfaces are exactly described, by medium and by function, including input/output control codes, data format, polarity, range, units, and frequency.
	RM-16	PC/OR	Verify that approved interface documents are available and that appropriate relationships (such as interface working groups) are in place with all agencies and organizations supporting the interfaces.
Requirements Allocation and Specification	RM-17	PC/OR	Verify that all system requirements have been allocated to either a software or hardware subsystem.
	RM-18	PC/OR	Verify that requirements specifications have been developed for all hardware and software subsystems in a sufficient level of detail to ensure successful implementation.
Reverse Engineering	RM-19	PC/OR	If a legacy system or a transfer system is or will be used in development, Verify that a well-defined plan and process for reengineering the system is in place and is followed. The process, depending on the goals of the reuse/transfer, may include reverse engineering, code translation, re-documentation, restructuring, normalization, and re-targeting.

#### 5. Operating Environment

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
System Hardware	OE-1	PC/OR	Evaluate new and existing system hardware configurations to determine if their performance is adequate to meet existing and proposed system requirements.
	OE-2	PC/OR	Determine if hardware is compatible with the State's existing processing environment, if it is maintainable, and if it is easily upgradeable. This evaluation will include, but is not limited to CPUs and other processors, memory, network connections and bandwidth, communication controllers, telecommunications systems (LAN/WAN), terminals,

			printers and storage devices.
	OE-3	PC/OR	Evaluate current and projected vendor support of the hardware, as well as the State's hardware configuration management plans and procedures.
System Software	OE-4	PC/OR	Evaluate new and existing system software to determine if its capabilities are adequate to meet existing and proposed system requirements.
	OE-5	PC/OR	Determine if the software is compatible with the State's existing hardware and software environment, if it is maintainable, and if it is easily upgradeable. This evaluation will include, but is not limited to, operating systems, middleware, and network software including communications and file-sharing protocols.
	OE-6	PC/OR	Current and projected vendor support of the software will also be evaluated, as well as the States software acquisition plans and procedures.
Database Software	OE-7	PC/OR	Evaluate new and existing database products to determine if their capabilities are adequate to meet existing and proposed system requirements.
	OE-8	PC/OR	Determine if the database's data format is easily convertible to other formats, if it supports the addition of new data items, if it is scalable, if it is easily refreshable and if it is compatible with the State's existing hardware and software, including any on-line transaction processing (OLTP) environment.
	OE-9	PC/OR	Evaluate any current and projected vendor support of the software, as well as the State's software acquisition plans and procedures.
System Capacity	OE-10	PC/OR	Evaluate the existing processing capacity of the system and verify that it is adequate for current statewide needs for both batch and on-line processing.
	OE-11	PC/OR	Evaluate the historic availability and reliability of the system including the frequency and criticality of system failure.
	OE-12	PC/OR	Evaluate the results of any volume testing or stress testing.
	OE-13	PC/OR	Evaluate any existing measurement and capacity planning program and will evaluate the system's capacity to support future growth.
	OE-14	PC/OR	Make recommendations on changes in processing hardware, storage, network systems, operating systems, COTS software, and software design to meet future growth and improve system performance.

## 6. Development Environment

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
Development Hardware	DE-1	PC/OR	Evaluate new and existing development hardware configurations to determine if their performance is adequate to meet the needs of system development.
	DE-2	PC/OR	Determine if hardware is maintainable, easily upgradeable, and compatible with the State's existing development and processing environment. This evaluation will include, but is not limited to CPUs and other processors, memory, network connections and bandwidth, communication controllers, telecommunications systems (LAN/WAN), terminals, printers and storage devices.
	DE-3	PC/OR	Current and projected vendor support of the hardware will also be evaluated, as well as the State's hardware configuration management plans and procedures.
Development Software	DE-4	PC/OR	Evaluate new and existing development software to determine if its capabilities are adequate to meet system development requirements.
	DE-5	PC/OR	Determine if the software is maintainable, easily upgradeable, and compatible with the State's existing hardware and software environment.

	<b>DE-6</b>	<b>PC/OR</b>	Evaluate the environment as a whole to see if it shows a degree of integration compatible with good development. This evaluation will include, but is not limited to, operating systems, network software, CASE tools, project management software, configuration management software, compilers, cross-compilers, linkers, loaders, debuggers, editors, and reporting software.
	<b>DE-7</b>	<b>PC/OR</b>	Language and compiler selection will be evaluated with regard to portability and reusability (ANSI standard language, non-standard extensions, etc.)
	<b>DE-8</b>	<b>PC/OR</b>	Current and projected vendor support of the software will also be evaluated, as well as the States software acquisition plans and procedures.

## 7. Software Development

<b>TASK ITEM</b>	<b>TASK #</b>	<b>REVIEW PERIOD</b>	<b>TASK DESCRIPTION</b>
<b>High-Level Design</b>	<b>SD-1</b>	<b>PC/OR</b>	Evaluate and make recommendations on existing high level design products to verify the design is workable, efficient, and satisfies all system and system interface requirements.
	<b>SD-2</b>	<b>PC/OR</b>	Evaluated the design products for adherence to the project design methodology and standards.
	<b>SD-3</b>	<b>PC/OR</b>	Evaluate the design and analysis process used to develop the design and make recommendations for improvements.
	<b>SD-4</b>	<b>PC/OR</b>	Verify that design requirements can be traced back to system requirements.
	<b>SD-5</b>	<b>PC/OR</b>	Verify that all design products are under configuration control and formally approved before detailed design begins.
<b>Detailed Design</b>	<b>SD-6</b>	<b>PC/OR</b>	Evaluate and make recommendations on existing detailed design products to verify that the design is workable, efficient, and satisfies all high level design requirements.
	<b>SD-7</b>	<b>PC/OR</b>	The design products will also be evaluated for adherence to the project design methodology and standards.
	<b>SD-8</b>	<b>PC/OR</b>	The design and analysis process used to develop the design will be evaluated and recommendations for improvements made.
	<b>SD-9</b>	<b>PC/OR</b>	Design standards, methodology and CASE tools used will be evaluated and recommendations made.
	<b>SD-10</b>	<b>PC/OR</b>	Verify that design requirements can be traced back to system requirements and high level design.
	<b>SD-11</b>	<b>PC/OR</b>	Verify that all design products are under configuration control and formally approved before coding begins.
<b>Job Control</b>	<b>SD-12</b>	<b>PC/OR</b>	Perform an evaluation and make recommendations on existing job control and on the process for designing job control.
	<b>SD-13</b>	<b>PC/OR</b>	Evaluate the system's division between batch and on-line processing with regard to system performance and data integrity.
	<b>SD-14</b>	<b>PC/OR</b>	Evaluate batch jobs for appropriate scheduling, timing and internal and external dependencies.
	<b>SD-15</b>	<b>PC/OR</b>	Evaluate the appropriate use of OS scheduling software.
	<b>SD-16</b>	<b>PC/OR</b>	Verify that job control language scripts are under an appropriate level of configuration control.
<b>Code</b>	<b>SD-17</b>	<b>PC/OR</b>	Evaluate and make recommendations on the standards and process currently in place for code development.
	<b>SD-18</b>	<b>PC/OR</b>	Evaluate the existing code base for portability and maintainability, taking software metrics including but not limited to modularity, complexity and source and object size.
	<b>SD-19</b>	<b>PC/OR</b>	Code documentation will be evaluated for quality, completeness (including maintenance history) and accessibility.



TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
	SD-20	PC/OR	Evaluate the coding standards and guidelines and the projects compliance with these standards and guidelines. This evaluation will include, but is not limited to, structure, documentation, modularity, naming conventions and format.
	SD-21	PC/OR	Verify that developed code is kept under appropriate configuration control and is easily accessible by developers.
	SD-22	PC/OR	Evaluate the project's use of software metrics in management and quality assurance.
Configuration and Rules	SD-23	PC/OR	Evaluate custom and COTS software for the ability to manage business rules and user workflows through end-user configurable tools verses coding changes
	SD-24	PC/OR	Evaluate the process for updating rule sets and configurations in a sustainable and auditable manner
Reuse and Shared Services	SD-25	PC/OR	Evaluate the framework used for categorizing HIX work products into various categories of reuse by other states inclusive of clear pre-requisites for re-usable components (e.g. purchase of COTS software licenses, similar underlying technology stack, etc.)
	SD-26	PC/OR	Evaluate the process for developing agreements with other States in reusing MD HIX software components
	SD-27	PC/OR	Evaluate the implementation of shared services with other States
	SD-28	PC/OR	Evaluate the plans, requirements, environment, tools, and procedures used for unit testing system modules.
Unit Test	SD-29	PC/OR	Evaluate the level of test automation, interactive testing and interactive debugging available in the test environment.
	SD-30	PC/OR	Verify that an appropriate level of test coverage is achieved by the test process, that test results are verified, that the correct code configuration has been tested, and that the tests are appropriately documented.

## 8. System And Acceptance Testing

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
System Integration Test	ST-1	PC/OR	Evaluate the plans, requirements, environment, tools, and procedures used for integration testing of system modules.
	ST-2	PC/OR	Evaluate the level of automation and the availability of the system test environment.
	ST-3	PC/OR	Verify that an appropriate level of test coverage is achieved by the test process, that test results are verified, that the correct code configuration has been tested, and that the tests are appropriately documented, including formal logging of errors found in testing.
	ST-4	PC/OR	Verify that the test organization has an appropriate level of independence from the development organization.
Interface Testing	ST-10	PC/OR	Evaluate interface testing plans and procedures for compliance with industry standards.
Acceptance and Turnover	ST-11	PC/OR	Acceptance procedures and acceptance criteria for each product must be defined, reviewed, and approved prior to test and the results of the test must be documented. Acceptance procedures must also address the process by which any software product that does not pass acceptance testing will be corrected.
	ST-12	PC/OR	Verify that appropriate acceptance testing based on the defined acceptance criteria is performed satisfactorily before acceptance of software products.

	<b>ST-13</b>	<b>PC/OR</b>	Verify that the acceptance test organization has an appropriate level of independence from the contractor.
	<b>ST-14</b>	<b>PC/OR</b>	Verify that training in using the contractor-supplied software is be on-going throughout the development process, especially if the software is to be turned over to State staff for operation.
	<b>ST-15</b>	<b>PC/OR</b>	Review and evaluate implementation plan.

## 9. Data Management

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
<b>Data Conversion</b>	<b>DM-1</b>	<b>PC/OR</b>	Evaluate the State's existing and proposed plans, procedures and software for data conversion.
	<b>DM-2</b>	<b>PC/OR</b>	Verify that procedures are in place and are being followed to review the completed data for completeness and accuracy and to perform data clean-up as required.
	<b>DM-3</b>	<b>PC/OR</b>	Determine conversion error rates and if the error rates are manageable.
	<b>DM-4</b>	<b>PC/OR</b>	Make recommendations on making the conversion process more efficient and on maintaining the integrity of data during the conversion.
<b>Database Design</b>	<b>DM-5</b>	<b>PC/OR</b>	Evaluate new and existing database designs to determine if they meet existing and proposed system requirements.
	<b>DM-6</b>	<b>PC/OR</b>	Recommend improvements to existing designs to improve data integrity and system performance.
	<b>DM-7</b>	<b>PC/OR</b>	Evaluate the design for maintainability, scalability, refreshability, concurrence, normalization (where appropriate) and any other factors affecting performance and data integrity.
	<b>DM-8</b>	<b>PC/OR</b>	Evaluate the project's process for administering the database, including backup, recovery, performance analysis and control of data item creation.

## 10. Operations and Maintenance

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
<b>Systems Operations</b>	<b>OM-1</b>	<b>OR</b>	Evaluate the State's existing and proposed plans and procedures for systems operations and performance monitoring
	<b>OM-2</b>	<b>OR</b>	Verify that procedures are in place and are being followed to track performance metrics according to established systems service level agreements
	<b>OM-3</b>	<b>OR</b>	Verify that procedures are in place for systems monitoring, security, back-up, and recovery including disaster recovery and business continuity
	<b>OM-4</b>	<b>OR</b>	Determine whether system administration roles and responsibilities are clearly defined and staff levels are adequate to perform systems operations and achieve operational service levels
	<b>OM-5</b>	<b>OR</b>	Make recommendations on bolstering systems maintenance procedures to ensure that service levels are met.
<b>Systems Maintenance</b>	<b>OM-6</b>	<b>OR</b>	Evaluate the State's existing and proposed plans, procedures and software for systems maintenance
	<b>OM-7</b>	<b>OR</b>	Verify that procedures are in place and are being followed to manage issues, defects, and risks from initial capture through resolution and disposition
	<b>OM-8</b>	<b>OR</b>	Determine whether system maintenance roles and responsibilities are clearly defined and staff levels are adequate to achieve maintenance activities
	<b>OM-9</b>	<b>OR</b>	Verify that the software maintenance agreements are in place with the COTS vendors and that the support provided by those vendors conforms to licensing and software maintenance agreements and are adequate to support Maryland's software maintenance needs

TASK ITEM	TASK #	REVIEW PERIOD	TASK DESCRIPTION
	OM-10	OR	Make recommendations on optimizing systems maintenance activities ensuring that performance targets are met and risks to operations are minimized
<b>Systems Enhancements/ Upgrades</b>	OM-11	OR	Evaluate the State's existing and proposed plans for applying the latest COTS products and releases to the Maryland
	OM-12	OR	Verify that the State has adequate technical environments in place to support development, testing, production staging, production operations, etc. as well as adequate processes and procedures to manage those environments
	OM-13	OR	Determine whether systems enhancements and upgrades roles and responsibilities are clearly defined and that staff levels or the ability to bring in as-needed contract support are adequate to perform necessary software enhancements and upgrades with minimum business operations disruption
	OM-14	OR	Make recommendations on optimizing the process for applying systems enhancements and upgrades to minimize risk to business operations

- G) The QA/QC IV&V vendor shall deliver all work products, reports, and analyses, whether in draft version or final version, to MHBE Contract Monitor. MHBE will review draft versions of the monthly IV&V Review Reports for errors of fact or omission, and to assure the reports meet and/or exceed the parameters and requirements of this contract. MHBE's comments will be delivered to the QA/QC IV&V vendor during the drafting of the monthly report and appended to it when it is finalized and distributed.
- H) For each validation area described in the preceding table, the QA/QC IV&V vendor shall include in its monthly status report the current state of the MHBE's effort, including any pertinent historical background information. The report should also contain a detailed analysis of each area, which answers, at the least, the following general questions:
- i. What is MHBE's current process in this area? Is MHBE making measurable progress in this area?
  - ii. How are the State's vendors progressing according to their various schedules, milestones, and gate reviews, however applicable to this area?
  - iii. Is the effort within the triple constraints of budget, scope, and schedule?
  - iv. In what respect is the MHBE's process, progress, approach, methodology, etc., effective or appropriate in this area? What standards and methodologies has MHBE and the Vendor team(s) published for use, and are they followed? If not, what options for remediation, along with pros/cons, analysis, and recommendations are appropriate?
  - v. In what respect does MHBE's process or technology require adjustment, correction, and/or improvement?
  - vi. What measurable and factual examples support the observations of areas of improvement? What options for avoidance and/or mitigation strategies are recommended?
  - vii. What are the quantifiable risks to the project (risks should be described in detail, along with recommended mitigation strategies)?
  - viii. Is the effort within the triple constraints of budget, scope, and schedule?
  - ix. What is the state of the program's deliverables, and what are IV&V's deliverable reviews yielding in terms of project insight, areas of vulnerability, areas of particular strength, concerns regarding

performance, contract compliance, effectiveness of monitoring and controls, etc.?

- x. What activities and tasks occurred in the reporting period that would have engaged MHBE stakeholders? Were stakeholders engaged? Are there areas of the program that, during the reporting period, were lacking in stakeholder involvement? Were there events in which stakeholder involvement was particularly effective and positive?
  - xi. Are best practices and metrics employed to identify issues, progress, and performance?
- H) The QA/QC IV&V vendor shall assure that the monthly reports contain, and base their analysis on, tangible examples and quantifiable data. Identified risks shall be evidence-based. Issues shall arise from a specific event (meeting, deliverable review, etc.). Each component of the report shall demonstrate specific areas for the State to assess and apply corrective actions, should such be warranted. Reports shall not contain subjective thoughts, unfounded opinions, speculation, or vague generalizations. Any items that do not meet these criteria may be removed from the report at the Contract Monitor's direction.
- I) The reports will also contain detailed recommendations in each area specifying what can be done immediately and in the long term to improve the MHBE's operation. The report shall also include a table of risks, recommend responses, and estimated time frames for implementing responses. Any technologies, methodologies, or resources recommended shall reflect industry standards and be appropriate for the unique circumstances and constraints of this project.
- J) Follow-up reports shall contain quantified information on the progress that MHBE has made against the recommendations from the previous review. The follow-up report should also contain any additional and/or modified recommendations at the same level of detail as the initial recommendations. All report findings and recommendations should be historically traceable (with a clear and consistent method of identification/numbering) from the time they are first reported until closure.
- K) The QA/QC IV&V vendor will continuously update the data store containing the factual data, analysis, and ongoing lists of risks and issues, from participation in each meeting, discussion, review, and other interactions.

## **2.4 PROJECT DELIVERABLES**

Sections 2.1 to 2.3 outline the contractual deliverables required by the QA/QC IV&V vendor to govern its work in this initiative. This Section 2.4 describes the process the vendor must use to create the deliverables (draft and final) and the process MHBE follows to evaluate and approve contractual deliverables. By submitting a proposal in response to this RFP, the Offeror represents that it agrees to the process.

### **A) Draft Deliverables**

The QA/QC IV&V vendor's written deliverables require submission as draft documents no fewer than 15 calendar days prior to deliverable due date. The only exception to this requirement is deliverables denoted as "Preliminary."

Draft deliverables must demonstrate due diligence in meeting the scope and requirements of the associated

final written deliverable. A draft deliverable may contain negligible text errors, but must:

- Be presented in a format appropriate for the subject matter and depth of discussion;
- Be organized in a manner that presents a logical flow of the deliverable’s content;
- Be based upon relevant, factual information that is current and accurate at the time of submittal; and
- Represent significant completeness towards the final written deliverable.

Upon receipt of a draft deliverable, MHBE shall review the deliverable to validate completeness and quality in meeting requirements. In the event of deliverable rejection, the QA/QC IV&V vendor shall correct the identified deficiencies or non-conformities within five (5) calendar days from rejection. At the discretion of the Contract Monitor, subsequent project tasks may not continue until deficiencies are rectified and the deliverable is formally accepted by MHBE as provided herein.

**B) Final Deliverables**

Final written deliverables shall not contain any structural errors such as poor grammar, misspellings or incorrect punctuation. In addition to completely and clearly meeting the scope and requirements, final deliverables must:

- Be presented in a format appropriate for the subject matter and depth of discussion;
- Be organized in a manner that presents a logical flow of the deliverable’s content; and
- Be based upon relevant, factual information that is current and accurate at the time of submittal.

Upon receipt of a final deliverable, MHBE shall review the deliverable to validate completeness and quality in meeting requirements. In the event of deliverable rejection, the QA/QC IV&V vendor shall correct the identified deficiencies or non-conformities within five (5) calendar days from rejection.

**C) Required Deliverables**

Required deliverables are defined in the table below. Within each task, the QA/QC IV&V vendor may suggest other subtasks or deliverables to improve the quality and success of the project.

<b>ID</b>	<b>Deliverables</b>	<b>Expected Completion</b>
2.3.2.A	Preliminary Project Schedule	NTP + 15 Business Days
2.3.2.A	Project Schedule – Submit Updates to MHBE	Weekly
2.3.2.B	Preliminary Staffing Plan	With RFP response
2.3.2.C	Final Staffing Plan	NTP + 15 Business Days
2.3.2.C	Staffing Plan – Submit Updates to MHBE	No fewer than three (3) month intervals or upon MHBE approval of staffing changes
2.3.2.D	Preliminary Communication Plan	NTP + 15 Business Days
2.3.2.E	Final Communication Plan	NTP + 40 Business Days

ID	Deliverables	Expected Completion
2.3.2.E	Communication Plan – Updates to MHBE	No fewer than three (3) month intervals
2.3.2.F	Preliminary Project Management Approach and Methodology	With RFP response
2.3.2.G	Final Project Management Approach and Methodology	NTP + 40 Business Days
2.3.2.G	Project Management Approach and Methodology	No fewer than three (3) month intervals
2.3.2.H	Quality Assurance / Quality Control Plan	NTP + 40 Business Days
2.3.2.H	QA / QC Plan – Updates to MHBE	No fewer than three (3) month intervals
2.3.2.K	Preliminary Transition-Out Plan	With RFP response
2.3.2.L	Final Transition-Out Plan	NTP 250 Days
2.3.2.M	Weekly Status Report	NTP + 15 Business Days; monthly thereafter
2.3.2.N	Weekly Status Meeting	NTP + 15 Business Days; weekly thereafter
2.3.2.O	Monthly IV&V Report	NTP + 30 Business Days; monthly thereafter
2.3.2.P	Project Kick-off Meeting	NTP + 15 Business Days
2.3.2.Q	Deliverable Submission and Acceptance Procedures	NTP + 5 Business Days
2.3.2.R	Project Library	NTP + 20 Business Days; continuous maintenance and updates
2.3.2.S	Business Request : Proprietary, Exclusive-Use, Limited License Software	Submitted as needed.

## 2.5 HIX STANDARDS

The QA/QC IV&V vendor shall place emphasis in validating that Maryland and its HIX vendors comply with all applicable federal and state laws, regulations, policies, standards, and guidelines affecting information technology projects, as the same may be amended from time to time. QA/QC IV&V vendor shall validate that all entities involved in the implementation of the HIX product shall adhere to and remain abreast of current, new, and revised laws, regulations, policies, standards, and guidelines affecting project execution. These may include, but are not limited to:

- The Maryland Information Technology Security Policy and Standards, including any revisions thereto. The current version may be found at:  
[http://doit.maryland.gov/support/Documents/security\\_guidelines/DoITSecurityPolicy.pdf](http://doit.maryland.gov/support/Documents/security_guidelines/DoITSecurityPolicy.pdf)  
[http://www.dbm.maryland.gov/dbm\\_publishing/public\\_content/dbm\\_taxonomy/security/prevention/it\\_securitypolicies.pdf](http://www.dbm.maryland.gov/dbm_publishing/public_content/dbm_taxonomy/security/prevention/it_securitypolicies.pdf)
- The Maryland Information Technology Project Oversight, including any revisions thereto. The current version may be found at:

<http://doit.maryland.gov/policies/Documents/pmo/itoversight.pdf>  
<http://www.dbm.maryland.gov/portal/server.pt?open=512&objID=387&PageID=2863&cached=true&mode=2>

- The Maryland Enterprise Architecture, including any revisions thereto. The current version may be found at:  
[http://dbm.maryland.gov/dbm\\_publishing/public\\_content/dbm\\_search/technology/entarchitecture/mfaguidingprinciplesv10.pdf](http://dbm.maryland.gov/dbm_publishing/public_content/dbm_search/technology/entarchitecture/mfaguidingprinciplesv10.pdf)

The QA/QC IV&V vendor shall validate that the HIX project follows project management methodologies that are consistent with the Project Management Institute's Project Management Body of Knowledge Guide. This statement applies to the IT SI vendors' staff and subcontractors, who must follow a consistent methodology for all activities.

Additional relevant laws, regulations, policies and guidance that the QA/QC IV&V vendor shall examine for compliance include, but are not limited to, the following:

- The Affordable Care Act and any related regulations and guidance.
- IRS guidance in Publication 1075 at <http://www.irs.gov/pub/irs-pdf/p1075.pdf> and MARS-E guidance
- The Offeror is expected to consider any proposed regulations, including public comments thereto, in formulating its proposal.
- Title XIX of the Social Security Act (the Medicaid statute), including any related regulations and guidance. Some information may be found at: <http://www.cms.gov/home/medicaid.asp>
- Title XXI of the Social Security Act (the CHIP statute), including any related regulations and guidance. Some information may be found at: <https://www.cms.gov/CHIPRA/>
- The HIX solution must comply with requirements of Innovation and Establishment grant opportunity announcements, listed under the Cooperative Agreements to Support Innovative Exchange Information Technology Systems and Cooperative Agreement to Support Establishment of State-Operated Health Insurance Exchanges.  
<http://cciio.cms.gov/resources/fundingopportunities/index.html#eig>
- CFR Part 433, Medicaid Program: Federal Funding for Medicaid Eligibility Determination and Enrollment Activities; Final Rule:  
<http://healthit.hhs.gov/portal/server.pt?open=512&mode=2&objID=3161>
- The Office of the National Health Coordinator for Health Information Technology, Guidance for MD HIX and Medicaid Information Technology (IT) Systems, Version 1.0:  
[http://cciio.cms.gov/resources/files/joint\\_cms\\_ociio\\_guidance.pdf](http://cciio.cms.gov/resources/files/joint_cms_ociio_guidance.pdf)
- The Office of the National Health Coordinator for Health Information Technology, Guidance for MD HIX and Medicaid Information Technology (IT) Systems, Version 2.0:  
[http://cciio.cms.gov/resources/files/exchange\\_medicaid\\_it\\_guidance\\_05312011.pdf](http://cciio.cms.gov/resources/files/exchange_medicaid_it_guidance_05312011.pdf)
- Health Insurance Portability and Accountability Act (HIPAA) and any related regulations and guidance: <http://www.gpo.gov/fdsys/pkg/PLAW-104publ191/pdf/PLAW-104publ191.pdf>

- Medicaid Information Technology Architecture (MITA):  
[http://www.cms.gov/MedicaidInfoTechArch/04\\_MITAFramework.asp#TopOfPage](http://www.cms.gov/MedicaidInfoTechArch/04_MITAFramework.asp#TopOfPage)
- Section 504 of the Rehabilitation Act and any related regulations and guidance:  
<http://www.asec.net/Archives/Manuals/Section%20504%20Manual2010.pdf>
- Clinger-Cohen Act (Public Law 104-106) and any related regulations and guidance:  
[http://www.cio.gov/Documents/it\\_management\\_reform\\_act\\_Feb\\_1996.html](http://www.cio.gov/Documents/it_management_reform_act_Feb_1996.html)
- U.S. Chief Information Officer (US CIO) 25 Point Implementation Plan to Reform Federal Technology Management. The current version may be found at: <http://www.cio.gov/documents/25-Point-Implementation-Plan-to-Reform-Federal%20IT.pdf>
- Federal Cloud Computing Strategy. The current version may be found at:  
<http://www.cio.gov/documents/Federal-Cloud-Computing-Strategy.pdf>
- ONC Guidance Electronic Eligibility and Enrollment:  
<http://healthit.hhs.gov/portal/server.pt?open=512&mode=2&objID=3161>
- Primary Medicaid System Regulations and Policies
  1. 42 CFR – Part 433 - Subpart C - Mechanized Claims Processing and Information Retrieval Systems
  2. 42 CFR – Part 95, Subpart F - Automatic Data Processing Equipment and Services - Conditions for Federal Financial Participation (FFP) (Note: As Revised on October 28, 2010)
    - a. 45 CFR 95.617 – States must include a clause in all procurement instruments that provides the State will have all ownership rights in software or modifications and associated documentation developed with federal funding (at any level).
  3. 45 CFR - Part 92 Administration of Grants 92.36(a) Applies to State grantees. 92.36(b-i) applies to all other grantees and sub-grantees.
  4. 42 CFR 434 Subpart B – Contracts with Fiscal Agents and Private Non-medical institutions.
  5. SMM Part 11
    - a. (See 11205, 11210, 11215, 11227, 11237, 11238, 11240, 11241, 11242, 11250, 11255, 11260, 11265, and 11267 and other subsections for specific ADP requirements to be included on contracts.)
  6. SMM Part 2
    - a. (See sections 2080 thru 2083 for the specific contract requirements and Proposed Contract Checklist)
- HIPAA Administrative Simplification
  1. 45 CFR Part 160 – Administrative Data Standards (Transactions and Code Set Standards)
  2. 45 CFR Part 162 – Standard Unique Identifier for Health Providers (NPI)
  3. 45 CFR Part 164 – Security and Privacy
- Related Regulations that must be considered when contracting for Medicaid Systems
  1. 42 CFR 431.15 – Methods of Administration



2. 42 CFR 431, Subpart F – Safeguarding Information on Applicants and Recipients
  3. 42 CFR 431.16-17 – Reports and Maintenance of Records
  4. 42 CFR 432 – State Personnel Administration
  5. 42 CFR 433.34 – Cost Allocation
  6. 42 CFR 433, Subpart A – Federal Matching and General Admin Provisions
  7. 42 CFR 433, Subpart D – Third Party Liability
  8. 42 CFR 447 – Payments for Services (including timely claims payment requirements at 447.45 and 447.46)
  9. 42 CFR 455 – Medicaid Program Integrity
  10. 42 CFR 456 – Utilization Control
- Certification and Technology Requirements
    1. Medicaid Enterprise Certification Toolkit [https://www.cms.gov/mmis/09\\_MECT.asp](https://www.cms.gov/mmis/09_MECT.asp)
    2. Medicaid Information Technology Architecture (MITA) Framework - Version 2.0
    3. [https://www.cms.gov/medicaidinfotecharch/04\\_mitaframework.asp](https://www.cms.gov/medicaidinfotecharch/04_mitaframework.asp)

Compliance with the Seven Standards and Conditions is a required element for receiving enhanced Medicaid funding, the IT SI vendor must be in compliance with the seven standards and conditions set forth by CMS. The following seven standards and conditions must be met to receive enhanced federal match and for the Maryland Establishment grant include (1) modularity; (2) MITA alignment; (3) leverage and reuse within and among States; (4) industry standard alignment; (5) support of business results; (6) reporting; and (7) seamlessness and interoperability. Adherence to these standards should be reviewed by the QA/QC IV&V vendor.

<b>2.6 CONTRACT SECURITY</b>
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**A) PHYSICAL SECURITY**

Each person who is an employee or agent of the QA/QC IV&V vendor shall display his or her company ID badge at all times while on State or MHBE premises. Upon request of State/MHBE personnel, each such employee or agent shall provide additional photo identification.

At all times at any facility, the QA/QC IV&V vendor personnel shall cooperate with site requirements that include but are not limited to being escorted at all times, providing information for badging, and wearing the badge in a visual location at all times.

With the exception of meetings to which the QA/QC IV&V vendor has been directly invited to attend, the QA/QC IV&V vendor shall not travel to State locations, State vendor locations, or participate in any site visits without submitting a justification to the MHBE Contract Monitor for review and approval. This requirement applies to out-of-state travel to MHBE vendor locations and / or other activities. Without prior approval, the QA/QC IV&V vendor may be found in breach of Contract Security requirements.

**B) CRIMINAL BACKGROUND CHECK**

The QA/QC IV&V vendor shall obtain from each prospective employee a signed statement permitting a criminal background check. The QA/QC IV&V vendor shall obtain (at its own expense) and provide the Contract Monitor with a Maryland State Police and/or FBI background check on all new employees prior to assignment. The QA/QC IV&V vendor may not hire an employee who has a criminal record unless prior

written approval is obtained from the Exchange. Background checks shall be conducted once annually during the period of performance, and results shall be provided to MHBE.

## **2.7 MBE REPORTS**

Given that there is an MBE Goal, the QA/QC IV&V vendor and its MBE subcontractors shall provide the following MBE Monthly Reports:

1. MBE Report D-4, the Offeror's Invoice Report by the 10<sup>th</sup> of the month following the reporting period to the Contract Monitor and the MBE Liaison Officer.
2. MBE Report D-5, the MBE Subcontractor's Invoice Report by the 10<sup>th</sup> of the month following the reporting period to the Contract Monitor and the MBE Liaison Officer.

## **2.8 INVOICING AND PAYMENT TYPE**

### **2.8.1 INVOICE REQUIREMENTS**

All invoices for services shall be submitted to the Contract Monitor no later than the 15<sup>th</sup> day following the month in which service was provided. Invoices shall include:

- Offeror name
- Remittance address
- Federal taxpayer identification (or if owned by an individual his/her social security number)
- Invoice period
- Invoice date
- Invoice number
- Amount due
- Purchase order number(s) being billed
- Unit Cost (If applicable)
- Total Cost (if applicable)
- Services Performed
- Deliverables
  - Completion Date
  - Approval Date

Invoices submitted without the required information will not be processed for payment until the Offeror provides the required information.

Offeror shall have a process for resolving billing errors. Payments will be made as progress payments as set forth herein. In no case will any payment be viewed as a partial payment.

### **2.8.2 PAYMENT SCHEDULE**

The Exchange will make monthly payments to the QA/QC IV&V vendor. Invoices should include the payment amount for each fixed price deliverable received and approved by the Exchange for the month

covered by the invoice. The Exchange expects that based on the deliverables requested by the State and the structure of fixed price deliverables listed in section 3.5 of this RFP, a typical invoice will include the fixed price for the monthly reports plus any other major deliverable separately priced that was completed during that month.

Note that funds for any contract resulting from this RFP are dependent upon the State securing Level 2 Establishment grant funds from CCIIO and matching funds from CMS under the CMS Title XIX funding, for the portion of the HIX that will provide a modernized Medicaid eligibility system.

The Exchange reserves the right to reduce or withhold contract payment (see terms set forth in **Attachment A**) in the event the Offeror does not provide the Exchange with all required deliverables within the time frame specified in the contract or in the event that the Offeror otherwise materially breaches the terms and conditions of the contract until such time as the Offeror brings itself into full compliance with the contract. Any action on the part of the Exchange, or dispute of action by the Offeror, shall be in accordance with the dispute resolution procedures set forth in Attachment A.

## **2.9 INSURANCE REQUIREMENT**

All insurance required by this section shall be effective when the Contract commences and shall remain in effect during the term of the Contract and renewal option periods, if exercised. Certificates of insurance and evidence of the payment of premiums shall be furnished to the Procurement Officer within ten (10) business days after notice of recommended Contract award.

All insurance companies shall be licensed or authorized to do business within the State and shall be subject to approval by the Exchange.

The QA/QC IV&V vendor shall maintain Commercial General Liability Insurance with limits sufficient to cover losses resulting from or arising out of Contractor action or inaction in the performance of the Contract by the QA/QC IV&V vendor, its agents, servants, employees or subcontractors, but no less than a Combined Single Limit for Bodily Injury, Property Damage and Personal and Advertising Injury Liability of \$1,000,000 per occurrence and \$3,000,000 aggregate.

The QA/QC IV&V vendor shall maintain Errors and Omissions/Professional Liability insurance with minimum limits of \$3,000,000 per occurrence. The QA/QC IV&V vendor shall maintain Automobile and/or Commercial Truck Insurance as appropriate with Liability, Collision and PIP limits no less than those required by the State where the vehicle(s) is registered but in no case less than those required by the State of Maryland. If automotive equipment is required in the performance of this Contract, automobile bodily injury liability insurance with a limit of not less than One Million Dollars (\$1,000,000.00) for each person and Two Million Dollars (\$2,000,000.00) for each accident, and property damage liability insurance with a limit of not less than Two Hundred Thousand Dollars (\$200,000.00) for each accident shall be required.

The Offeror shall maintain Employee Theft Insurance with minimum limits of \$1,000,000 per occurrence.

The Offeror shall maintain such insurance as necessary and/or as required under Worker's Compensation Acts, U.S. Longshoremen's and Harbor Workers' Compensation Act, and the Federal Employers Liability Act as well as any other applicable statute.

Upon execution of a Contract with the State, Offeror shall provide the Contract Monitor with current certificates of insurance, and shall update such certificates from time to time, as directed by the Contract Monitor. Such copy of the Offeror's current certificate of insurance shall contain at minimum the following:

1. Worker's Compensation - The Offeror shall maintain such insurance as necessary and/or as required under Worker's Compensation Acts, the Longshore and Harbor Workers' Compensation Act, and

the Federal Employers' Liability Act.

2. Commercial General Liability as required above.
3. Errors and Omissions/Professional Liability as required above.
4. Automobile and/or Commercial Truck Insurance as above.
5. Employee Theft Insurance as required above.

The State shall be named as an additional named insured on the policies with the exception of Worker's Compensation Insurance. Certificates of insurance evidencing coverage shall be provided prior to the commencement of any activities in the Contract. All insurance policies shall be endorsed to include a clause that requires that the insurance carrier provide the Contract Monitor, by certified mail, not less than 60 days advance notice of any non-renewal, cancellation, or expiration. In the event the Contract Monitor receives a notice of non-renewal, the Offeror shall provide the Contract Monitor with an insurance policy from another carrier at least 30 days prior to the expiration of the insurance policy then in effect. All insurance policies shall be with a company licensed by the State to do business and to provide such policies.

## **SECTION 3 PROPOSAL FORMAT**

### **3.1 TWO PART SUBMISSION**

Offerors shall submit proposals in separate volumes:

- Volume I - TECHNICAL PROPOSAL
- Volume II - FINANCIAL PROPOSAL

### **3.2 PROPOSALS**

Volume I-Technical Proposal and Volume II-Financial Proposal shall be sealed separately from one another. Each Volume shall contain an unbound original, so identified, and five (5) copies. The two sealed Volumes shall be submitted together under one label bearing:

- The RFP title and number
- eMM Number
- Name and address of the Offeror
- The volume number (I or II)
- Closing date and time for receipt of proposals

The submission should be made to the Procurement Officer (see section 1.5) prior to the date and time for receipt of proposals (see section 1.11).

An electronic version of Volume I- Technical Proposal and Volume II- Financial Proposal, both in searchable Word (Version 2007 or newer) format shall also be submitted as separate files for each "Volume", labeled Volume I-Technical Proposal and Volume II-Financial Proposal with the unbound originals, technical or financial volumes, as appropriate. Electronic media is to be submitted on CD and shall bear a label on the outside containing the RFP number and name, the name of the Offeror and the volume number.

A second electronic version of Volume I and Volume II in searchable Word (Version 2007 or newer) format shall be submitted on CD for Public Information Act (PIA) requests. This copy shall be redacted so that confidential and/or proprietary information has been removed (see section 1.20).

All pages of both proposal volumes shall be consecutively numbered from beginning (Page 1) to end (Page "").

### **3.3 DELIVERY**

Offerors may either mail or hand-deliver proposals.

For U.S. Postal Service deliveries, any proposal that has been received at the office of the Exchange, for the respective procuring unit by the time and date listed in the RFP will be deemed timely. If an Offeror chooses to use the United States Postal Service for delivery, the Exchange recommends that it use Express Mail, Priority Mail, or Certified Mail only as these are the only forms for which both the date and time of receipt can be verified by the Exchange. An Offeror using first class mail will not be

able to prove a timely delivery.

Hand-delivery includes delivery by commercial carrier acting as an agent for the Offeror. For any type of direct (non-mail) delivery, Offerors are advised to secure a dated, signed, and time-stamped (or otherwise indicated) receipt of delivery.

Any Register of Proposals identifying each Offeror will be open to inspection only after the Procurement Officer makes a determination recommending the award of the contract.

### 3.4 VOLUME I – TECHNICAL PROPOSAL

**Note: No pricing information is to be included in the Technical Proposal (Volume 1). Pricing will only be included in the Financial Proposal (Volume II).**

Inside a sealed package described in Section 3.3, above, the unbound, five (5) copies and the electronic version shall be provided. The RFP sections should be numbered for ease of reference, i.e., Section 1 Title and Table of Contents, Section 2 Transmittal Letter, Section 3 Proposed Services, etc. In addition to the instructions below, the Offeror's Technical Proposal should be organized and numbered in the same manner as this RFP. This proposal organization will allow evaluators to "map" Offeror responses directly to RFP requirements by Section number.

Excluding cover page, table of contents, and required forms and affidavits, the length of the proposal inclusive of resumes, references, tables, charts, diagrams, and technical approach narrative shall not exceed seventy-five (75) pages.

#### 3.4.1 TECHNICAL PROPOSAL FORMAT AND CONTENT REQUIREMENTS

- A) **Title and Table of Contents:** The Technical Proposal should begin with a title page bearing the name and address of the Offeror and the name and number of this RFP. A confidentiality statement identifying confidential and/or proprietary information by page and section number shall be placed after the Title Page and before the Table of Contents (see section 1.20). The table of contents for the Technical Proposal shall follow the confidentiality statement and shall be organized by section, subsection, and page number.
- B) **Transmittal Letter:** A transmittal letter shall accompany the technical proposal. The purpose of this letter is to transmit this proposal and acknowledge receipt of any addenda. The transmittal letter should be brief and signed by an individual who is authorized to commit the offeror to the services and requirements as state in the RFP
- C) **Proposed Services**
  - 1) **Executive Summary:** An overview demonstrating the Offeror's understanding of the background, purpose, and objectives of the IV&V. The Executive Summary shall include a copy of the PMI PMP certificate or equivalent. The PMI certificate shall serve as objective proof that the minimum qualification is met.
  - 2) **Proposed Solution:** A detailed discussion of the Offerer's understanding of the work entailed to address the requirements outlined in Section 2 - Scope of Work and how the Offeror proposes to satisfy the requirements. This section should include a detailed description of the offeror's IV&V methodology.
- 3) **Assumptions:** A description of any assumptions formed by the Offeror in developing the

Technical Proposal. Initial Risk Assessment: Identification and prioritization of risks inherent in meeting the requirements in Section 2 - Scope of Work and a description of strategies to mitigate, accept, or transfer identified risks. Ongoing risk assessment will be an element of the monthly "IV&V Status Reports" deliverable described in Section 2.3.

- 4) Preliminary Project Deliverables: As defined in Section 2.3.2, Project Management Requirements and Deliverables. Include all deliverables denoted as "Preliminary."
- 5) Work Breakdown Structure (WBS): A WBS chart showing the IV&V Project Deliverables listed in Section 2.4 Project Deliverables, broken down into activities required to produce each deliverable. The WBS also must show personnel assigned, and work hours estimated, for each activity.

**D) Proposed Personnel:** Offerors shall describe in detail how the proposed staff's experience and qualifications relate to their specific responsibilities as detailed in the Work Plan.

- 1) Identify and provide resumes for all proposed personnel by labor category. Each resume should include the amount of experience the individual has had relative to the work called for in this solicitation.
- 2) Provide the names and titles of all key management personnel who will be involved with supervising the services rendered under this RFP.

**E) Subcontractors**

- 1) Identify all proposed subcontractors, including MBEs, and their full roles in the performance of the work described in Section 2 - Scope of Work. All subcontractor must be approved by MHBE in writing prior to the addition to the contract.

**F) Prime Contractor and Subcontractor Experience and Capabilities**

- 1) Provide three examples of projects that you have completed that were similar in scope to the one defined in the scope of work in this RFP. Each of the three examples must include a reference complete with the following:
  - A) Name of organization for which the work was performed.
  - B) Name, title, and telephone number of point-of-contact for the reference.
  - C) Type and duration of contract(s) supporting the reference.
  - D) The services provided, scope of the contract and performance objectives satisfied as they relate to the scope of this RFP.
  - E) Whether the Offeror is still providing these services and, if not, an explanation of why it is no longer providing the services to the client organization.
- 2) State of Maryland Experience: If applicable, the Offeror shall submit a list of all contracts it currently holds or has held within the past five years with any government entity of the State of Maryland. For each identified contract, the Offeror shall provide:
  - A) The State contracting entity,

- B) A brief description of the services/goods provided,
- C) The dollar value of the contract,
- D) The term of the contract,
- E) Whether the contract was terminated prior to the specified original contract termination date,
- F) Whether any available renewal option was not exercised,
- G) The State employee contact person (name, title, telephone number and e-mail address).

This information will be considered as part of the experience and past performance evaluation criteria in the RFP.

**G) State Assistance**

- 1) Provide an estimate of expectation concerning participation by State/MHBE personnel in terms of frequency and amount of time.

**H) Confidentiality**

- 1) Offeror should give specific attention to the identification of those portions of its proposal that it considers confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Public Information Act, Title 10, Subtitle 6, of the State Government Article of the Annotated Code of Maryland. Contractors are advised that, upon request for this information from a third party, the Procurement Officer will be required to make an independent determination regarding whether the information may be disclosed.

Additionally, the following documents shall be included in the Technical Proposal; each in its own Section.

- 1. Completed Bid/Proposal Affidavit - **Attachment B**
- 2. Completed Minority Business Participation Form - **Attachment D-1** (in a separately sealed envelope)
- 3. Completed Living Wage Affidavit - **Attachment G-1**
- 4. Federal Funding Required Forms – **Attachment H**
- 5. Conflict of Interest Affidavit and Disclosure - **Attachment I**
- 6. Trading Partner Agreement with Exhibit 1 to Trading Partner Agreement - **Attachments J and J-1**
- 7. Certificate of Insurance: The Offeror shall provide a copy of the Offeror's current certificate(s) of insurance with the prescribed limits set forth in Section 2.9

<b>3.5 VOLUME II - FINANCIAL PROPOSAL</b>
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Under separate sealed cover from the Technical Proposal and clearly identified in the format requirements identified in Section 3.2, the Offeror shall submit an original unbound copy, five (5) copies, and an electronic version in Word (Version 2007 or newer) of the Financial Proposal. By submitting its Technical Proposal and its Financial Proposal, the Offeror acknowledges that it understands that the pricing of all items,



including the overall price, must fully take into account all risks and contingencies that are necessary for the State to have received the desired IV&V assessments, reports, and action plans as specified in the technical proposal section of this RFP.

### **3.5.1 HIX IV&V Financial Proposal Form for Base Period (All Prices Firm Fixed Price)**

In order to assist Offerors in the preparation of their financial proposal and to comply with the requirements of this solicitation, Financial Instructions and a Financial Proposal Form have been prepared. Offerors shall submit their financial proposal on the form in accordance with the instructions on the form and as specified herein. The Financial Proposal Form is to be signed and dated, where requested, by an individual who is authorized to bind the Offeror to all proposed prices.

Offeror(s) are to propose a Firm-Fixed-Price (FFP) for each of the line items in the HIX IV&V Financial Proposal form included below. The financial proposal form is used to calculate the Offeror's TOTAL PRICE PROPOSED for the base period of the HIX IV&V contract. The period of performance for this FFP cost proposal will be for one (1) year.

Please note the following additional instructions:

- A) All Unit/Extended Prices must be clearly entered in dollars and cents, e.g., \$24.15
- B) All calculations shall be rounded to the nearest cent, i.e. .344 shall be 34 and .345 shall be 35.
- C) Every blank of the financial proposal form shall be filled in.
- D) Except as instructed on the form, nothing shall be entered on the financial proposal form that alters or proposes conditions or contingencies on the prices.
- E) It is imperative that the prices included on the Financial Proposal Form have been entered correctly and calculated accurately by the Offeror and that the respective total prices agree with the entries on the Financial Proposal Form.
- F) All prices are fully burdened; no expenses will be paid or reimbursed by the State.

**Schedule A: HIX IV&V Financial Proposal Form for Base Period (Firm Fixed Price)**

<b>Month, Year</b>	<b>Year</b>	<b>Monthly Price</b>
<b>Base Period</b>		
July	2014	
August	2014	
September	2014	
October	2014	
November	2014	
December	2014	
January	2015	
February	2015	
March	2015	
April	2015	
May	2015	
June	2015	
July	2015	
August	2015	
September	2015	
October	2015	
November	2015	
December	2015	
January	2016	
February	2016	
March	2016	
April	2016	
May	2016	
June	2016	
July	2016	
<b>Total Price – Base Period</b>		
<b>Option Period 1</b>		
August	2016	
September	2016	
October	2016	
November	2016	
December	2016	
January	2017	
February	2017	
March	2017	
April	2017	
May	2017	
June	2017	
July	2017	
<b>Total Price – Option Period 1</b>		
<b>Option Period 2</b>		
August	2017	
September	2017	
October	2017	
November	2017	
December	2017	

January	2018	
February	2018	
March	2018	
April	2018	
May	2018	
June	2018	
July	2018	
<b>Total Price – Option Period 2</b>		
<b>Total Contract Price (all periods)</b>		

\_\_\_\_\_  
**Authorized Individual (Print)**

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

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Corporate Tax ID**

**Company**

### 3.5.2 HIX IV&V Optional Task Order (Fixed Labor Rates)

In addition, the Exchange may request additional services on a time and materials basis using fixed labor rates provided by the offeror using the rate card below. This labor rate card should be included in the offeror's financial proposal.

#### Schedule B: HIX IV&V Optional Task Order (Fixed Labor Rates)

Optional Tasks - Labor Rate Card		
Optional Task	Labor Category / Position Title	Rate

Authorized Signature: \_\_\_\_\_  
Date: \_\_\_\_\_

Printed Name and Title:

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

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

FEIN: \_\_\_\_\_

eMM \_\_\_\_\_

\_\_\_\_\_ #:

\_\_\_\_\_  
Telephone #:

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

\_\_\_\_\_

## SECTION 4 EVALUATION CRITERIA AND SELECTION PROCEDURE

### 4.1 EVALUATION CRITERIA

Evaluation of proposals will be based on the criteria set forth below. The Contract resulting from this RFP will be awarded to the Offeror submitting a proposal that is most advantageous to the Exchange considering price and the technical factors set forth herein. In making this determination, technical factors will receive greater weight than price factors.

#### 4.1.1 TECHNICAL CRITERIA

The following are the criteria for evaluating the technical proposal in descending order of importance:

- a. The offeror's overall level of understanding of the work described in Section 2 of this RFP. The level of understanding of the work shall be determined by the quality of the Technical Proposal and the soundness of the proposed tools and techniques presented in the offeror's solution. Soundness will be determined by the offeror's ability to articulate its methodology, its overall solution, and how both would be applied to achieve the requirements.
- b. Length and relevance of the QA/QC, IV&V and project management experience of the offeror's and subcontractors' personnel. Relevance will be determined by the alignment of experience with programs of similar size, complexity, and subject matter of the HIX program. Experience with ACA, state-based exchanges, and / or state social services eligibility determination processes are preferred.
- c. Experience and References. The type and length of company experience of the offeror and subcontractors. Company experience is determined by type of contracts and references.

#### 4.1.2 FINANCIAL CRITERIA

All qualified Offerors will be ranked from the lowest (most advantageous) to the highest (least advantageous) price based on their total price submitted per the directions in section 3.5 of the RFP.

### 4.2 EVALUATION PROCESS

#### 4.2.1 IN GENERAL

1. The Contract will be awarded in accordance with the competitive sealed proposals process found at PPP § II.B. The competitive sealed proposals method allows for discussions and revision of proposals during these discussions; thus, the Exchange may hold discussions with all Offerors judged reasonably susceptible of being selected for award, or potentially so. However, the Exchange also reserves the right to make an award without holding discussions.
2. In either case, the Exchange may determine an Offeror to be not responsible and/or an Offeror's proposal to be not reasonably susceptible of being selected for award at any time after the initial closing date for receipt of

Proposals and prior to contract award. If the Exchange finds an Offeror to be not responsible and/or an Offeror's technical proposal to be not reasonably susceptible of being selected for award that Offeror's financial proposal will be returned if still unopened.

3. Proposals are usually evaluated by a committee that assists the Procurement Officer in making a recommendation for award. However, the Procurement Officer may evaluate proposals without a committee and recommend an Offeror for award. In either case, award will be made as set forth in PPP § III.

#### 4.2.2 SELECTION PROCESS SEQUENCE

1. A determination is made that MBE form D-1 is included and is properly completed.
2. Technical proposals are evaluated for technical merit and ranked. During this review, oral presentations and discussions may be held. The purpose of such discussions will be to assure a full understanding of the Exchange's requirements and the Offeror's ability to perform and to facilitate arrival at a Contract that is most advantageous to the Exchange. For scheduling purposes, Offerors should be prepared to make an oral presentation and participate in discussions within one week of the delivery of proposals to the Exchange. Qualified Offerors will be contacted by the Exchange as soon as discussions are scheduled.
3. Offerors must confirm in writing any substantive oral clarification of, or change in, their proposals made in the course of discussions. Any such written clarification or change then becomes part of the Offeror's proposal. Proposals are given a final review and ranked.
4. The financial proposal of each qualified Offeror will be evaluated separately from the technical evaluation. After a review of the financial proposals of qualified Offerors, the evaluation committee or Procurement Officer may again conduct discussions to further evaluate the Offeror's entire proposal.
5. When in the best interest of the Exchange, the Procurement Officer may permit Offerors who have submitted acceptable proposals to revise their initial proposals and submit, in writing, best and final offers (BAFOs). However, the Exchange may make an award without requesting BAFOs.

#### 4.2.3 AWARD DETERMINATION

1. Upon completion of all discussions and negotiations, reference checks, and site visits (if any), the Procurement Officer will recommend award of the Contract to the responsible Offeror(s) whose proposal(s) is determined to be the most advantageous to the Exchange considering technical evaluation factors and price factors as set forth in this RFP.

## **SECTION 5      ATTACHMENTS**

### **ATTACHMENT A – EXCHANGE CONTRACT**

This is the contract used by Exchange. It is provided with the RFP for informational purposes and is not required at proposal submission time. Upon notification of recommendation for an award, a completed contract will be sent to the selected Offeror for signature.

### **ATTACHMENT B – BID/PROPOSAL AFFIDAVIT**

This form must be completed and submitted with the Offeror's technical proposal.

### **ATTACHMENT C – CONTRACT AFFIDAVIT**

This form is not required at proposal submission time. It must be submitted by the selected Offeror to the Procurement Officer with the Standard Contract (see **Attachment A**).

### **ATTACHMENT D – MINORITY BUSINESS ENTERPRISE GOAL AND FORMS**

This attachment includes the subcontracting goal statement, instructions and MBE forms D-1 through D-6. Form D-1 must be completed and submitted with the Offeror's technical proposal in a separately sealed envelope. Forms D-2 & D-3 are required within 10 days of receiving notification of recommendation for award.

### **ATTACHMENT E – PRE-PROPOSAL CONFERENCE RESPONSE FORM**

It is requested that this form be completed and submitted as described in RFP section 1.8 by those potential Offerors who plan on attending the conference.

### **ATTACHMENT F – LIVING WAGE REQUIREMENTS FOR SERVICE CONTRACTS**

### **ATTACHMENT G-1 – MARYLAND LIVING WAGE AFFIDAVIT OF AGREEMENT**

This document must be completed and submitted with the Technical Proposal.

### **ATTACHMENT H – FEDERAL FUNDING REQUIREMENTS AND CERTIFICATIONS**

Certifications must be completed and submitted with the Technical Proposal.

### **ATTACHMENT I – CONFLICT OF INTEREST AFFIDAVIT**

This document must be completed and submitted with the Technical Proposal.

### **ATTACHMENT J – TRADING PARTNER AGREEMENT FORM (ACA)**

This document must be completed and submitted within (10) working days after notification of award or award of contract, whichever is earlier.

### **ATTACHMENT J1 – EXHIBIT 1 TO TRADING PARTNER AGREEMENT**

This document must be completed and submitted only in the event of a breach.

### **ATTACHMENT K – NON-DISCLOSURE FORMS FOR SOLICITATION**

This form is to be submitted with the Technical Proposal.

### **ATTACHMENT L – STATEMENT OF WORK – TRANSFER SYSTEM**

This attachment provides the background for the transfer system initiative.

**ATTACHMENT M – PERFORMANCE LOCATION**

This attachment provides the facility requirements associated with this RFP.



## ATTACHMENT A – STANDARD CONTRACT

THIS CONTRACT (the —Contract) is made this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by and between \_\_\_\_\_ (the —Contractor) and the STATE OF MARYLAND, acting through the MARYLAND HEALTH BENEFIT EXCHANGE (the —Exchange).

In consideration of the promises and the covenants herein contained, the parties agree as follows:

### 1. Definitions

In this Contract, the following words have the meanings indicated:

- 1.1 —COMAR means Code of Maryland Regulations.
- 1.2 —Contract Monitor means the individual identified in sub-section 1.6 of the RFP.
- 1.3 —Contractor means \_\_\_\_\_ whose principal business address is \_\_\_\_\_ and whose principal office in Maryland is \_\_\_\_\_.
- 1.4 —Exchange means the Maryland Health Benefit Exchange.
- 1.5 —Financial Proposal means the Contractor's Financial Proposal dated \_\_\_\_\_.
- 1.6 —PPP means the Procurement Policies and Procedures of the Exchange.
- 1.7 —Procurement Officer means the individual identified in sub-section 1.5 of the RFP.
- 1.8 —RFPI means the Request for Proposals titled \_\_\_\_\_, Solicitation # Exchange \_\_\_\_\_ -- \_\_\_\_\_, and any addenda thereto issued in writing by the State.
- 1.9 —State means the State of Maryland and includes the Maryland Health Benefit Exchange.
- 1.10 —Technical Proposal means the Contractor's Technical Proposal, dated \_\_\_\_\_.

### 2. Scope of Work

- 2.1 The Contractor shall provide all deliverables as defined in the Section 2 of the RFP, as well as all work requested pursuant to any optional task orders. These services shall be provided in accordance with the terms and conditions of this Contract and the following Exhibits, which are attached hereto and incorporated herein by reference. If there is any conflict between this Contract and the Exhibits, the terms of the Contract shall govern. If there is any conflict among the Exhibits, the following order of precedence shall determine the prevailing provision:

Exhibit A – The RFP

Exhibit B – The Technical Proposal

Exhibit C – The Financial Proposal

Exhibit D - State Contract Affidavit, executed by the Contractor and dated \_\_\_\_\_.

In the event that a Task Order Agreement is entered into by the parties and if there is any conflict among the Exhibits, the following order of precedence shall determine the prevailing provision: 1) the RFP; 2) the Task Order Agreement; 3) the Technical Proposal; 4) the Financial Proposal; and 5) the State Contract Affidavit, executed by the Contractor and dated \_\_\_\_\_.

- 2.2 The Procurement Officer may, at any time, by written order, make changes in the work within the general scope of the Contract or the RFP. No other order, statement or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. Failure to agree to an adjustment under this section shall be a dispute under the Disputes clause. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.
- 2.3 Modifications to this Contract may be made, provided that: (a) the modifications are made in writing; (b) all parties sign the modifications; and (c) the required approvals, as set forth in the PPP, are obtained.

### **3. Period of Performance.**

The Contract resulting from this RFP shall be for a period of one (1) year beginning on or about July 1, 2014 and ending on June 30, 2015. At the sole option of the Exchange, upon reasonable advance notice to the Contractor, the contract period may be extended for up to two one (1) year periods. If the Exchange elects to issue a Task Order, as described in the RFP, the Contract shall be extended for the applicable period. The Contractor shall provide services upon receipt of a Notice to Proceed, as set forth in the RFP.

### **4. Consideration and Payment**

- 4.1 In consideration of the satisfactory performance of the work set forth in this Contract, the Exchange shall pay the Contractor in accordance with the terms of this Contract, the RFP, and the Contractor's Financial Proposal. Except with the express written consent of the Procurement Officer, payment to the Contractor, pursuant to this Contract, shall not exceed the total firm fixed price proposed in the Contractor's financial proposal.
- 4.2 Payments to the Contractor pursuant to this Contract shall be made after the State's receipt of a proper invoice from the Contractor for completed services rendered by the Contractor, acceptance by the Exchange of completed services provided by the Contractor as defined by the requirements within the Contract, and no later than thirty (30) days after the State receives its funding or draw down amounts from the applicable federal agencies or grants. No late charges or interest shall accrue or be paid for any actual or alleged late payments by the State.

For purposes of this Contract, an invoice shall not be considered proper unless the following conditions have been met:

- a. The amount invoiced is consistent with the amount agreed upon by the parties to the contract;
- b. The goods or services have been received by the State and the quantity received agrees with the quantity ordered;
- c. The goods or services meet the qualitative requirements of the contract and have been accepted by the State;
- d. The invoice has been received by the party specified in the contract.
- e. The invoice is not in dispute;
- f. If the contract provides for progress payments, the proper invoice for the progress payment has been submitted pursuant to the schedule contained in the contract; and
- g. If the contract provides for withholding a retainage and the invoice is for the retainage, all stipulated conditions for release of the retainage have been met.

Each invoice for services rendered must include the Contractor's Federal Tax Identification Number which is \_\_\_\_\_. Invoices shall be submitted to the Contract Monitor. Electronic funds transfer shall be used by the State to pay Contractor pursuant to this Contract and any other State payments due Contractor unless the State Comptroller's Office grants Contractor an exemption.

4.3 In addition to any other available remedies, if, in the opinion of the Procurement Officer, the Contractor fails to perform its obligations in a satisfactory and timely manner in accordance with the terms of the Contract, the Procurement Officer may refuse or limit approval of any invoice for payment for such delayed or deficient services, and may cause payments to the Contractor for such services to be reduced or withheld until such time as the Procurement Officer determines that the Contractor has met the requirements of the Contract with respect to such services.

4.4 Contractor's eMarylandMarketplace Offeror ID number is\_\_\_\_\_.

## 5. Rights to Records

5.1 The Contractor agrees that all documents and materials, including but not limited to software, reports, drawings, studies, estimates, tests, maps, photographs, designs, graphics, mechanical, artwork, computations, schedules, data, and all other work products created by the Contractor under this RFP shall become the exclusive property of the State, and may be distributed, reproduced, or otherwise used without restriction and without compensation to the Contractor at the sole discretion of the State.

5.2 The Contractor agrees that at all times during the term of this Contract and thereafter, works created as a deliverable under this contract, and services performed under this Contract shall be —works made for hirel as that term is interpreted under U.S. copyright law. To the extent that any products created as a deliverable under this Contract are not works for hire for the State, the Contractor hereby relinquishes, transfers, and assigns to the State all of its rights, title, and interest (including all intellectual property rights) to all such products created under this Contract, and will cooperate reasonably with the State in effectuating and registering any necessary assignments.

5.3 The Contractor shall report to the Contract Monitor, promptly and in written detail, each notice or claim of copyright infringement received by the Contractor with respect to all data delivered under this Contract.

5.4 The Contractor shall not affix any restrictive markings upon any data and if such markings are affixed, the Exchange shall have the right at any time to modify, remove, obliterate, or ignore such warnings.

## **6. Exclusive Use**

Except as otherwise provided in the contract, the State shall have the exclusive right to use, duplicate, and disclose any data, information, documents, records, or results, in whole or in part, in any manner for any purpose whatsoever, that may be created or generated by the Contractor in connection with this Contract.

## **7. Patents, Copyrights, Intellectual Property**

7.1 If the Contractor furnishes any design, device, material, process, or other item, which is covered by a patent or copyright or which is proprietary to or a trade secret of another, the Contractor shall obtain the necessary permission or license to permit the State to use such item or items.

7.2 The Contractor will defend or settle, at its own expense, any claim or suit against the State alleging that any such item furnished by the Contractor infringes any patent, trademark, copyright, or trade secret. If a third party claims that a product infringes that party's patent or copyright, the Contractor will defend the State against that claim at Contractor's expense and will pay all damages, costs and attorney fees that a court finally awards, provided the State (i) promptly notifies the Contractor in writing of the claim; and (ii) allows Contractor to control and cooperates with Contractor in, the defense and any related settlement negotiations. The obligations of this paragraph are in addition to those stated in section 7.3 below.

7.3 If any products furnished by the Contractor become, or in the Contractor's opinion are likely to become, the subject of a claim of infringement, the Contractor will, at its option and expense: (a) procure for the State the right to continue using the applicable item, (b) replace the product with a non-infringing product substantially complying with the item's specifications, or (c) modify the item so that it becomes non-infringing and performs in a substantially similar manner to the original item.

## **8. Public Information**

8.1 Subject to the Maryland Public Information Act and any other applicable laws, all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor's computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents, and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided that the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law. The provisions of this section shall not apply to information that: (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

8.2 Offerors should give specific attention to the identification of those portions of their proposals that they deem to be confidential, proprietary information or trade secrets and provide any

justification why such materials, upon request, should not be disclosed by the State under the Access to Public Records Act, Md. Code Ann., State Government Article, Title 10, Subtitle 6.

## **9. Loss of Data**

In the event of loss of any State data or records where such loss is due to the intentional act, omission, or negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by the Contract Monitor. The Contractor shall ensure that all data is backed up and recoverable by the Contractor. The Contractor shall use its best efforts to assure that at no time shall any actions undertaken by the Contractor under this Contract (or any failures to act when Contractor has a duty to act) damage or create any vulnerabilities in data bases, systems, platforms, and/or applications with which the Contractor is working hereunder.

## **10. Indemnification**

10.1 The Contractor shall hold harmless and indemnify the State from and against any and all losses, damages, claims, suits, actions, liabilities and/or expenses, including, without limitation, attorneys' fees and disbursements of any character that arise from, are in connection with or are attributable to the performance or nonperformance of the Contractor or its subcontractors under this Contract.

10.2 The State has no obligation to provide legal counsel or defense to the Contractor or its subcontractors in the event that a suit, claim, or action of any character is brought by any person not party to this Contract against the Contractor or its subcontractors as a result of or relating to the Contractor's obligations under this Contract.

10.3 The State has no obligation for the payment of any judgments or the settlement of any claims against the Contractor or its subcontractors as a result of or relating to the Contractor's obligations under this Contract.

10.4 The Contractor shall immediately notify the Procurement Officer of any claim, suit, or action made or filed against the Contractor or its subcontractors regarding any matter resulting from, or relating to, the Contractor's obligations under the Contract. In the event that a claim, suit or action is made or filed against the State as a result of or relating to the Contractor's performance under this Contract, the Contractor agrees to assume the defense of any and all such suits and pay the costs and expenses incidental hereto, subject to the right of the State to provide additional legal counsel at the State's own expense. This section shall survive expiration of this Contract.

## **11. Non-Hiring of Employees**

No official or employee of the State, as defined under Md. Code Ann., State Government Article, §15-102, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract, shall, during the pendency and term of this Contract and while serving as an official or employee of the State, become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

## **12. Disputes**

As used herein, a —claim means a written demand or assertion by one of the parties seeking, as a legal right, the payment of money, adjustment, or interpretation of contract terms, or other relief, arising under

or relating to this contract. A voucher, invoice, or request for payment that is not in dispute when submitted is not a claim. However, if the submission subsequently is not acted upon in a reasonable time, or is disputed as to liability or amount, it may be converted to claim for the purpose of this clause.

Within thirty (30) days of when the Contractor knows or should have known of the basis for a claim relating to the Contract, it shall file a written notice of claim on its letterhead to the procurement officer. Contemporaneously with, or within sixty (60) days after filing the notice of claim, the Contractor shall submit the written claim to the procurement officer. The procurement officer shall issue a final, written decision on the claim as expeditiously as possible. Any final decision of the procurement officer may award a Contract claim only for those expenses incurred not more than thirty (30) days before the contractor initially filed its notice of claim.

If the final decision of the procurement officer grants the claim in part and denies the claim in part, the Exchange shall pay the Contractor the undisputed amount. Payment of the partial claim will not be construed as an admission of liability by the Exchange and does not preclude the Exchange from recovering the amount paid if a subsequent determination modifies the final decision.

Within thirty (30) days of receipt of the final decision of the procurement officer, the Contractor may file an appeal to the Executive Director of the Exchange for claims for monetary amounts up to \$75,000 and to the Board of Trustees for either claims for monetary amounts over \$75,000 or for claims involving non-monetary relief. If submitted to the Executive Director, a final decision resolving the appeal will be issued by the Executive Director. If submitted to the Board of Trustees, the Board of Trustees may determine that a hearing would assist in the resolution of any appeal. The Board of Trustees may elect to hold the hearing itself or may refer the matter for a hearing to a panel consisting of two or more members of the Board of Trustees or may refer the matter to a neutral decision maker. A final decision resolving the appeal will be issued by a vote of the Board of Trustees. The Contractor's timely appeal to the Executive Director or the Board of Trustees shall be a strict condition precedent to the contractor pursuing any legal rights which it alleges or which may exist in any other forum.

Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the procurement officer's decision.

Nothing in this section shall be construed to limit the Exchange's right to withhold payments from the Contractor, assess liquidated damages against the Contractor, direct the Contractor to perform pursuant to the terms of the Contract or any written change order, or to exercise any other rights allowed by Contract or at law.

### **13. Maryland Law**

13.1 This Contract shall be construed, interpreted, and enforced according to the laws of the State of Maryland.

13.2 Md. Code Ann., Commercial Law Article, Title 22, Maryland Uniform Computer Information Transactions Act, does not apply to this Contract or to any purchase order or Notice to Proceed issued under this Contract. Md. Code Ann., Commercial Law Article, Title 2, Sale of goods, does not apply to this Contract or to any purchase order or Notice to Proceed issued under this Contract.

13.3 Any and all references to the Maryland Code Annotated contained in this Contract shall be construed to refer to such Code sections as are from time to time amended.

#### **14. Nondiscrimination in Employment**

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, or disability of a qualified individual with a disability; (b) to include a provision similar to that contained in subsection (a), above, in any underlying subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

#### **15. Contingent Fee Prohibition**

The Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of this Contract.

#### **16. Non-availability of Funding**

If the General Assembly fails to appropriate funds or if funds are not otherwise made available (including funds which may be received from the federal government) for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be canceled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of this Contract for each succeeding fiscal period beyond the first.

#### **17. Termination for Cause**

If the Contractor fails to fulfill its obligations under this Contract properly and on time, or otherwise violates any provision of the Contract, the State may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at the State's option, become the State's property. The State shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by the Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the State can affirmatively collect damages. Termination hereunder, including the termination of the rights and obligations of the parties, shall be on the same terms as those set forth in COMAR 21.07.01.11B.

#### **18. Termination for Convenience**

The performance of work under this Contract may be terminated by the State in accordance with this clause in whole, or from time to time in part, whenever the State shall determine that such termination is in the best interest of the State. The State will pay all reasonable costs associated with this Contract that

the Contractor has incurred up to the date of termination, and all reasonable costs associated with termination of the Contract; provided, however, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be on the same terms as those set forth in COMAR 21.07.01.12A(2).

#### **19. Delays and Extensions of Time**

The Contractor agrees to prosecute the work continuously and diligently and that absolutely no charges or claims for damages shall be made by it for any delays, hindrances, interferences, or disruptions from any cause whatsoever during the progress of any portion of the work specified in this Contract.

Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to, acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another Contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers. If the State unreasonably causes performance of all or any part of the work to be suspended, delayed, or interrupted, an adjustment shall be made for any resulting increase in the cost of performance of this contract (excluding profit).

#### **20. Suspension of Work**

The State unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Procurement Officer may determine to be appropriate for the convenience of the State.

#### **21. Financial Disclosure**

The Contractor shall comply with the provisions of Md. Code Ann., State Finance and Procurement Article, §13-221, which requires that every person that enters into contracts, leases, or other agreements with the State or its agencies during a calendar year under which the business is to receive in the aggregate, \$100,000 or more, shall within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of the State certain specified information to include disclosure of beneficial ownership of the business.

#### **22. Political Contribution Disclosure**

The Contractor shall comply with Md. Code Ann., Election Law Article, §§14-101 through 14-108, which requires that every person that enters into contracts, leases, or other agreements with the State, a county, or an incorporated municipality, or their agencies, during a calendar year in which the person receives in the aggregate \$100,000 or more, shall, file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election. The statement shall be filed with the State Board of Elections:

(1) before a purchase or execution of a lease or contract by the State, a county, an incorporated municipality, or their agencies, and shall cover the preceding two calendar years; and (2) if the contribution is made after the execution of a lease or contract, then twice a year, throughout the contract term, on: (a) February 5, to cover the 6-month period ending January 31; and (b) August 5, to cover the 6-month period ending



July 31.

**23. Documents Retention and Inspection Clause**

- 23.1 All of the services performed by the Contractor relating to the subject of this Contract are subject to the review, inspection and approval of the State and, therefore, any and all written and electronic documents and records, including, but not exclusively limited to, any books, papers, notes, files, records, memos, drafts, findings, draft reports, and reports related to such services shall be subject to the inspection and approval of the State. The Contractor shall furnish all documents and additional information requested by the State to the State and grant to the State's duly authorized representatives free access to any documents at all reasonable times, upon five (5) days' notice to the Contractor. At the State's request, the Contractor shall provide the State with certified copies of documents in the possession or control of the Contractor. The documents may be provided in an electronic format that is acceptable to the State.
- 23.2 The Contractor agrees that all documents shall remain the property of the State and all documents retained by the Contractor are retained on behalf of the State. During the document retention period, the Contractor shall maintain all documents in its possession in the office or facility closest to the Exchange's office that is appropriate for the retention of documents. After or during the document retention period or upon completion of the services provided in accordance with this Contract and any regulatory or legal proceeding associated with the services provided, the State may take possession of any original documents retained by the Contractor and the Contractor shall submit such documents to the State in accordance with the State's direction. The Contractor may retain photocopies of the original documents and may retain any original documents the State does not wish to possess. All such materials are to be kept confidential and in a secure location.
- 23.3 The Contractor agrees to maintain all documents as confidential information owned by the State. The Contractor shall only disclose documents to its own employees and appropriate subcontractors, as necessary to perform services under the Contract and to the State unless permitted, in writing, by the State to do otherwise.
- 23.4 The Contractor agrees to take all reasonable steps necessary to safeguard the documents, or other information from loss, destruction, unauthorized disclosure or erasure during the course of the Contract and the document retention period.
- 23.5 The Contractor and sub-contractors shall retain and maintain all records and documents relating to this contract for a period of five (5) years after final payment by the State hereunder, a longer period which may be set forth in the solicitation, or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the procurement officer or designee, at all reasonable times.
- 23.6 The Contractor further agrees and acknowledges that certain federal laws and regulations may be applicable to this Contract. In addition to the requirements below, the Contractor agrees that federal agency representatives shall be granted access to the Contractor's contract, books, documents, and records necessary to verify the cost of the services provided under this contract, until the expiration of five (5) years after the services are furnished under this contract or such time as may be set forth in any applicable regulations, whichever is longer. Similar access will be allowed to the books, documents and records of any organization related to the Contractor or controlled by the Contractor, including subcontractors.

## **24. Compliance with Laws**

The Contractor hereby represents and warrants that:

- a. It is qualified to do business in the State and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;
- b. It is not in arrears with respect to the payment of any monies due and owing the State, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;
- c. It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract; and,
- d. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

The Contractor further agrees that it shall comply with all applicable State and Federal laws and regulations, as they may be amended from time to time, which may be necessary to provide the services set forth in the solicitation.

## **25. Cost and Price Certification**

By submitting cost or price information, the Contractor certifies to the best of its knowledge that the information submitted is accurate, complete, and current as of the date of its bid or offer.

The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date of its bid or offer, was inaccurate, incomplete, or not current.

## **26. Subcontracting; Assignment**

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining the prior written approval of the Contract Monitor, nor may the Contractor assign this Contract or any of its rights or obligations hereunder, without the prior written approval of the Contract Monitor. Any subcontracts shall include such language as may be required in various clauses contained within this solicitation and attachments. The contract shall not be assigned until all approvals, documents and affidavits are completed and properly registered. The State shall not be responsible for fulfillment of the Contractor's obligations to its subcontractors.

All software licenses and all property of any kind, created or transferred by the Contractor pursuant to this Contract shall be issued in the names of, and held by, the Exchange and the State of Maryland. The Exchange and the State of Maryland shall have the right to transfer, assign, or allow the use of, any or all of its rights in any software licenses or property.

## **27. Liability**

For breach of this Contract, negligence, misrepresentation, or any other contract, tort, or other claim, Contractor shall be liable as follows:

- a. For infringement of patents, copyrights, trademarks, service marks, and/or trade secrets, as provided in Section 7 of this Contract and without limitation;
- b. Without limitation for damages for bodily injury (including death), damage to real property and tangible personal property, loss of data and data breaches;
- c. For all other claims, damages, losses, costs, expenses, suits or actions in any way related to this Contract, regardless of the form, Contractor's liability per claim shall be limited to five (5) times the total dollar value of the Contract. Third party claims, arising under Section 10, —Indemnification, of this Contract, are included in this limitation of liability only if the State and the Exchange are immune from liability. Contractor's liability for third party claims arising under Section 10 of this Contract shall be unlimited if the State and the Exchange are not immune from liability for claims arising under Section 10.

## **28. Parent Company Guarantee (If Applicable)**

(Corporate name of Parent Company) hereby guarantees absolutely the full, prompt and complete performance by (Contractor) of all the terms, conditions and obligations contained in this Contract, as it may be amended from time to time, including any and all exhibits that are now or may become incorporated hereunto, and other obligations of every nature and kind that now or may in the future arise out of or in connection with this Contract, including any and all financial commitments, obligations and liabilities. (Corporate name of Parent Company) may not transfer this absolute guaranty to any other person or entity without the prior express written approval of the State, which approval the State may grant, withhold, or qualify in its sole and absolute subjective discretion. (Corporate name of Parent Company) further agrees that if the State brings any claim, action, suit or proceeding against (Contractor), (Corporate name of Parent Company) may be named as a party, in its capacity as Absolute Guarantor.

## **29. Inspection**

The Exchange's Contract Monitor, employees, agents, or representatives shall, at all times, have the right to enter the Contractor's premises, or any other places, where the services are being performed, and shall have access, upon request, to interim drafts of deliverables or work in progress. Upon one (1) day's notice, the Exchange's representatives shall be allowed to inspect, monitor, or otherwise evaluate the work being performed. Any expenses incurred by State personnel or representatives for on-site inspections shall be borne by the Exchange.

## **30. Commercial Non-Discrimination**

- 31.1 As a condition of entering into this Contract, Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described at Md. Code Ann., State Finance and Procurement Article, Title 19. As part of such compliance, Contractor may not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. Contractor shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace.

Contractor understands that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification of Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.

- 31.2 The Contractor shall include the above Commercial Nondiscrimination clause, or similar clause approved by the State's Department of Budget and Management, in all subcontracts.
- 31.3 As a condition of entering into this Contract, upon request of the Maryland Commission on Civil Rights, and only after the filing of a complaint against Contractor under Md. Code Ann., State Finance and Procurement Article, Title 19, as amended from time to time, Contractor agrees to provide within 60 days after the request a complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past 4 years on any of its contracts that were undertaken within the State of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth in Md. Code Ann., State Finance and Procurement Article, Title 19, and to provide any documents relevant to any investigation that are requested by the State. Contractor understands that violation of this clause is a material breach of this Contract and may result in contract termination, disqualification by the State from participating in State contracts, and other sanctions.

### **31. Prompt Pay Requirements**

- 32.1 If the Contractor withholds payment of an undisputed amount to its subcontractor, the Exchange, at its option and in its sole discretion, may take one or more of the following actions:
- a. Not process further payments to the Contractor until payment to the subcontractor is verified;
  - b. Suspend all or some of the contract work without affecting the completion date(s) for the contract work;
  - c. Pay or cause payment of the undisputed amount to the subcontractor from monies otherwise due or that may become due;
  - d. Place a payment for an undisputed amount in an interest-bearing escrow account; or
  - e. Take other or further actions as appropriate to resolve the withheld payment.
- 32.2 An —undisputed amount‡ means an amount owed by the Contractor to a subcontractor for which there is no good faith dispute. Such —undisputed amounts‡ include, without limitation:
- a. Retainage which had been withheld and is, by the terms of the agreement between the Contractor and subcontractor, due to be distributed to the subcontractor;
  - b. An amount withheld because of issues arising out of an agreement or occurrence unrelated to the agreement under which the amount is withheld.

- 32.3 An act, failure to act, or decision of a Procurement Officer or a representative of the Exchange, concerning a withheld payment between the Contractor and a subcontractor under this provision, may not:
- a. Affect the rights of the contracting parties under any other provision of law;
  - b. Be used as evidence on the merits of a dispute between the Exchange and the Contractor in any other proceeding; or
  - c. Result in liability against or prejudice the rights of the State.
- 32.4 The remedies enumerated above are in addition to those which may be provided by any applicable law or regulations with respect to subcontractors that have contracted pursuant to the Minority Business Enterprise program.
- 32.5 To ensure compliance with certified MBE subcontract participation goals, the Exchange may take the following measures:
- a. Verify that the certified MBEs listed in the MBE participation schedule actually are performing work and receiving compensation as set forth in the MBE participation schedule.
  - b. This verification may include, as appropriate:
    - i. Inspecting any relevant records of the Contractor;
    - ii. Inspecting the jobsite; and
    - iii. Interviewing subcontractors and workers.
    - iv. Verification shall include a review of:
      - (a) The Contractor's monthly report listing unpaid invoices over 30 days old from certified MBE subcontractors and the reason for nonpayment; and
      - (b) The monthly report of each certified MBE subcontractor, which lists payments received from the Contractor in the preceding 30 days and invoices for which the subcontractor has not been paid.
  - c. If the Exchange determines that the Contractor is in noncompliance with certified MBE participation goals, then the Exchange will notify the Contractor in writing of its findings, and will require the Contractor to take appropriate corrective action. Corrective action may include, but is not limited to, requiring the Contractor to compensate the MBE for work performed as set forth in the MBE participation schedule.
  - d. If the Exchange determines that the Contractor is in material noncompliance with MBE contract provisions and refuses or fails to take the corrective action that the Exchange requires, the Exchange may then:
    - i. Terminate the contract;
    - ii. Refer the matter to the Office of the Attorney General for appropriate action; or
    - iii. Initiate any other specific remedy identified by the contract, including the contractual remedies required by this Directive regarding the payment of undisputed amounts.
  - e. Upon completion of the Contract, but before final payment or release of retainage or both,

the Contractor shall submit a final report, in affidavit form under the penalty of perjury, of all payments made to, or withheld from MBE subcontractors.

**32. Administrative**

32.1 Contract Monitor. The work to be accomplished under this Contract shall be performed under the direction of the Procurement Officer. All matters relating to the interpretation of this Contract shall be referred to the Contract Monitor for determination.

32.2 Notices. All notices, excluding claims or disputes, are to be sent as follows:

If to the State: (Enter name of Contract Monitor)  
(Enter name of facility, administration or office of Contract Monitor)  
Maryland Health Benefit Exchange  
(Enter complete address of Contract Monitor including room number)

If to the Contractor: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

32.3 As required in paragraph 12 of this contract, notice of claims or disputes are to be sent to the Procurement Officer identified in Section 1, sub-section 1.5 of this RFP. Such notices shall be in writing and either delivered personally or sent by certified or registered mail, postage prepaid.

**32.4 Incorporation by Reference**

This contract consists of the entire RFP document Exchange \_\_\_\_\_ - \_\_\_\_\_ and all parts comprising the RFP, including all Exhibits, Appendices, Attachments, and Addenda, and the successful Offeror's entire final proposal including both the financial and the technical elements dated \_\_\_\_\_ (technical element) and \_\_\_\_\_ (financial element), which are incorporated into this contract by reference.

Note: Incorporation by reference does not necessarily create a public record permissible for disclosure.

**33. Limited English Proficiency**

The Contractor shall provide equal access to public services to individuals with limited English proficiency in compliance with Md. Code Ann., State Gov't Article, §§ 10-1101 et seq., and Policy Guidance issued by the Office of Civil Rights, Department of Health and Human Services, and DHMH Policy 02.06.07.

**34. Liquidated Damages**

34.1 The Contract requires the Contractor to make good faith efforts to comply with the Minority Business Enterprise ("MBE") Program and Contract provisions. The State and the Contractor acknowledge and agree that the State will incur economic damages and losses, including, but not limited to, loss of goodwill, detrimental impact on economic development, and diversion of internal staff resources, if the Contractor does

not make good faith efforts to comply with the requirements of the MBE Program and pertinent MBE Contract provisions. The parties further acknowledge and agree that the damages the State might reasonably be anticipated to accrue as a result of such lack of compliance are difficult or impossible to ascertain with precision and that liquidated damages represent a fair, reasonable, and appropriate estimation of damages.

Upon a determination by the State that the Contractor failed to make good faith efforts to comply with one or more of the specified MBE Program requirements or pertinent MBE Contract provisions and without the State being required to present any evidence of the amount or character of actual damages sustained, the Contractor agrees to pay liquidated damages to the State at the rates set forth below. Such liquidated damages are intended to represent estimated actual damages and are not intended as a penalty. The Contractor expressly agrees that the State may withhold payment on any invoices as an offset against liquidated damages owed. The Contractor further agrees that for each specified violation, the agreed-upon liquidated damages are reasonably proximate to the loss the State is anticipated to incur as a result of each violation.

34.1.1 Failure to submit each monthly payment report in full compliance with COMAR 21.11.03.13B(3): \$35.67 per day until the monthly report is submitted as required.

34.1.2 Failure to include in its agreements with MBE subcontractors a provision requiring submission of payment reports in full compliance with COMAR 21.11.03.13B(4): \$112.10 per MBE subcontractor.

34.1.3 Failure to comply with COMAR 21.11.03.12 in terminating, canceling, or changing the scope of work/value of a contract with an MBE subcontractor and/or amendment of the MBE participation schedule: the difference between the dollar value of the MBE participation commitment on the MBE participation schedule for that specific MBE firm and the dollar value of the work performed by that MBE firm for the Contract.

36.1.4 Failure to meet the Contractor's total MBE participation goal and subgoal commitments: the difference between the dollar value of the total MBE participation commitment on the MBE participation schedule and the MBE participation actually achieved.

34.1.5 Failure to promptly pay all undisputed amounts to an MBE subcontractor in full compliance with the prompt payment provisions of the Contract: \$100.00 per day until the undisputed amount due to the MBE subcontractor is paid.

34.2 Notwithstanding the assessment or availability of liquidated damages, the State reserves the right to terminate the Contract and to exercise any and all other rights or remedies which may be available under Contract or which otherwise may be available at law or equity.

[Signatures next page]

**IN WITNESS THEREOF**, the parties have executed this Contract as of the date hereinabove set forth.

FOR THE CONTRACTOR

FOR THE MARYLAND HEALTH  
BENEFIT EXCHANGE

By:

By:

\_\_\_\_\_

\_\_\_\_\_

Or designee:

\_\_\_\_\_

Date

\_\_\_\_\_

Date

Approved for form and legal sufficiency this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_

\_\_\_\_\_

Assistant Attorney General



**ATTACHMENT B – BID/PROPOSAL AFFIDAVIT**

**A. AUTHORITY**

I HEREBY AFFIRM THAT:

I, \_\_\_\_\_ (print name), possess the legal authority to make this Affidavit.

**B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION**

The undersigned bidder hereby certifies and agrees that the following information is correct: In preparing its bid on this project, the bidder has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not engaged in "discrimination" as defined in §19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. "Discrimination" means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendor's, supplier's, or commercial customer's employees or owners. "Discrimination" also includes retaliating against any person or other entity for reporting any incident of "discrimination". Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid. As part of its bid or proposal, the bidder herewith submits a list of all instances within the past 4 years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the bidder discriminated against subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Bidder agrees to comply in all respects with the State's Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

**B-1. CERTIFICATION REGARDING MINORITY BUSINESS ENTERPRISES.**

The undersigned bidder hereby certifies and agrees that it has fully complied with the State Minority Business Enterprise Law, State Finance and Procurement Article, §14-308(a)(2), Annotated Code of Maryland, which provides that, except as otherwise provided by law, a Contractor may not identify a certified minority business enterprise in a bid or proposal and:

- (1) Fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority proposal;
- (2) Fail to notify the certified minority business enterprise before execution of the contract of its inclusion in the bid or proposal;
- (3) Fail to use the certified minority business enterprise in the performance of the contract; or
- (4) Pay the certified minority business enterprise solely for the use of its name in the bid or proposal.

Without limiting any other provision of the solicitation on this project, it is understood that if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid.

### C. AFFIRMATION REGARDING BRIBERY CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, §6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other State or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

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### D. AFFIRMATION REGARDING OTHER CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies, has:

(1) Been convicted under State or federal statute of:

(a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or

(b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;

(2) Been convicted of any criminal violation of a State or federal antitrust statute;

(3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §1961 et seq., or the Mail Fraud Act, 18 U.S.C. §1341 et seq., for acts in connection with the submission of bids or proposals for a public or private contract;

(4) Been convicted of a violation of the State Minority Business Enterprise Law, §14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(5) Been convicted of a violation of §11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1)—(5) above;

(7) Been found civilly liable under a State or federal antitrust statute for acts or omissions in connection with the submission of bids or proposals for a public or private contract;

(8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract; or

(9) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§B and C and subsections D(1)—(8) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

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#### E. AFFIRMATION REGARDING DEBARMENT

##### I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension).

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F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES

I FURTHER AFFIRM THAT:

(1) The business was not established and it does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and

(2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):

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G. SUB-CONTRACT AFFIRMATION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

H. AFFIRMATION REGARDING COLLUSION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

(1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying bid or offer that is being submitted;

(2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the bid price or price proposal of the bidder or Offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying bid or offer is submitted.

I. CERTIFICATION OF TAX PAYMENT

I FURTHER AFFIRM THAT:

Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State

Department of Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

J. CONTINGENT FEES

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

K. ACKNOWLEDGEMENT

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this bid or proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

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

By: \_\_\_\_\_ (print name of Authorized Representative and Affiant)

\_\_\_\_\_ (signature of Authorized Representative and Affiant)

Revised August, 2011

**ATTACHMENT C – CONTRACT AFFIDAVIT**

**A. AUTHORITY**

I HEREBY AFFIRM THAT:

I, \_\_\_\_\_ (print name), possess the legal authority to make this Affidavit.

**B. CERTIFICATION OF REGISTRATION OR QUALIFICATION WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION**

I FURTHER AFFIRM THAT:

The business named above is a (check applicable box):

- (1) Corporation —  domestic or  foreign;
- (2) Limited Liability Company —  domestic or  foreign;
- (3) Partnership —  domestic or  foreign;
- (4) Statutory Trust —  domestic or  foreign;
- (5)  Sole Proprietorship.

and is registered or qualified as required under Maryland Law. I further affirm that the above business is in good standing both in Maryland and (IF APPLICABLE) in the jurisdiction where it is presently organized, and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation. The name and address of its resident agent (IF APPLICABLE) filed with the State Department of Assessments and Taxation is:

Name and Department ID  
Number: \_\_\_\_\_ Address: \_\_\_\_\_

and that if it does business under a trade name, it has filed a certificate with the State Department of Assessments and Taxation that correctly identifies that true name and address of the principal or owner as:

Name and Department ID Number: \_\_\_\_\_  
Address: \_\_\_\_\_.

**C. FINANCIAL DISCLOSURE AFFIRMATION**

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of State Finance and Procurement Article, §13-221, Annotated Code of Maryland, which require that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

#### D. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

##### I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, §§14-101 — 14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State of Maryland, including its agencies or a political subdivision of the State, during a calendar year in which the person receives in the aggregate \$100,000 or more shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election.

#### E. DRUG AND ALCOHOL FREE WORKPLACE

##### I CERTIFY THAT:

(1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.

(2) By submission of its bid or offer, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:

(a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;

(b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;

(c) Prohibit its employees from working under the influence of drugs or alcohol;

(d) Not hire or assign to work on the contract anyone who the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;

(e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;

(f) Establish drug and alcohol abuse awareness programs to inform its employees about:

- (i) The dangers of drug and alcohol abuse in the workplace;
- (ii) The business's policy of maintaining a drug and alcohol free workplace;
- (iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and
- (iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;

(g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §E(2)(b), above;

(h) Notify its employees in the statement required by §E(2)(b), above, that as a condition of continued employment on the contract, the employee shall:

(i) Abide by the terms of the statement; and

(ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;

(i) Notify the procurement officer within 10 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;

(j) Within 30 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, impose either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:

(i) Take appropriate personnel action against an employee, up to and including termination; or

(ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and

(k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §E(2)(a)—(j), above.

(3) If the business is an individual, the individual shall certify and agree as set forth in §E(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.

(4) I acknowledge and agree that:

(a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;

(b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default.

#### F. CERTAIN AFFIRMATIONS VALID

I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Bid/Proposal Affidavit dated \_\_\_\_\_, 20\_\_\_\_, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

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

By: \_\_\_\_\_ (printed name of Authorized Representative and Affiant)



\_\_\_\_\_ (signature of Authorized Representative and Affiant)

Revised August, 2011

**Attachment D1**  
**MDOT Certified MBE Utilization and Fair Solicitation Affidavit**  
*(submit with bid or offer)*

This document **MUST BE** included with the bid or offer. If the Bidder or Offeror fails to complete and submit this form with the bid or offer as required, the procurement officer shall deem the bid non-responsive or shall determine that the offer is not reasonably susceptible of being selected for award.

In conjunction with the bid or offer submitted in response to Solicitation No. \_\_\_\_\_, I affirm the following:

1.  I acknowledge and intend to meet the overall certified Minority Business Enterprise (MBE) participation goal of \_\_\_\_\_ percent and, if specified in the solicitation, the following subgoals (complete for only those subgoals that apply):
- |                                 |                              |
|---------------------------------|------------------------------|
| _____ percent African American  | _____ percent Asian American |
| _____ percent Hispanic American | _____ Woman-Owned            |

Therefore, I will not be seeking a waiver pursuant to COMAR 21.11.03.11.

**OR**

- I conclude that I am unable to achieve the MBE participation goal and/or subgoals. I hereby request a waiver, in whole or in part, of the overall goal and/or subgoals. Within 10 business days of receiving notice that our firm is the apparent awardee, I will submit all required waiver documentation in accordance with COMAR 21.11.03.11.
2. I understand that if I am notified that I am the apparent awardee, I must submit the following additional documentation within 10 working days of receiving notice of the potential award or from the date of conditional award (per COMAR 21.11.03.10), whichever is earlier.
- (a) Outreach Efforts Compliance Statement (Attachment D2)
  - (b) Subcontractor Project Participation Certification (Attachment D3)
  - (c) Any other documentation, including waiver documentation, if applicable, required by the Procurement Officer to ascertain bidder or offeror responsibility in connection with the certified MBE participation goal.

I understand that if I fail to return each completed document within the required time, the Procurement Officer may determine that I am not responsible and therefore not eligible for contract award. If the contract has already been awarded, the award is voidable.

3. In the solicitation of subcontract quotations or offers, MBE subcontractors were provided not less than the same information and amount of time to respond as were non-MBE subcontractors.
4. Set forth below are the (i) certified MBEs I intend to use and (ii) the percentage of the total contract amount allocated to each MBE for this project and the work activity(ies) each MBE will

provide under the contract. I hereby affirm that the MBE firms are only providing those work activities for which they are MDOT certified.

<b>Prime Contractor:</b> (Firm Name, Address, Phone)	<b>Project Description:</b>
<b>Project Number:</b>	

**List Information For Each Certified MBE Subcontractor On This Project**

<b>Minority Firm Name</b>	<b>MBE Certification Number</b>
<b>FEIN</b> Identify the Applicable Certification Category (For Dually Certified Firms, Check Only One Category)	
<input type="checkbox"/> African American <input type="checkbox"/> Asian American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Woman-Owned <input type="checkbox"/> Other	
Percentage of Total Contract Value to be provided by this MBE _____%	
Description of Work to Be Performed:	
<b>Minority Firm Name</b>	<b>MBE Certification Number</b>
<b>FEIN</b> Identify the Applicable Certification Category (For Dually Certified Firms, Check Only One Category)	
<input type="checkbox"/> African American <input type="checkbox"/> Asian American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Woman-Owned <input type="checkbox"/> Other	
Percentage of Total Contract Value to be provided by this MBE _____%	
Description of Work to Be Performed:	
<b>Minority Firm Name</b>	<b>MBE Certification Number</b>
<b>FEIN</b> Identify the Applicable Certification Category (For Dually Certified Firms, Check Only One Category)	
<input type="checkbox"/> African American <input type="checkbox"/> Asian American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Woman-Owned <input type="checkbox"/> Other	
Percentage of Total Contract Value to be provided by this MBE _____%	
Description of Work to Be Performed:	
<b>Minority Firm Name</b>	<b>MBE Certification Number</b>
<b>FEIN</b> Identify the Applicable Certification Category (For Dually Certified Firms, Check Only One Category)	
<input type="checkbox"/> African American <input type="checkbox"/> Asian American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Woman-Owned <input type="checkbox"/> Other	
Percentage of Total Contract Value to be provided by this MBE _____%	
Description of Work to Be Performed:	

**SUMMARY**

Total <i>African-American</i> MBE Participation:	_____ %
Total <i>Asian American</i> MBE Participation:	_____ %
Total <i>Hispanic American</i> MBE Participation:	_____ %
Total Woman-Owned MBE Participation:	_____ %
Total <i>Other</i> Participation:	_____ %
<b>Total All MBE Participation:</b>	<b>_____ %</b>

I solemnly affirm under the penalties of perjury that the contents of this Affidavit are true to the best of my knowledge, information, and belief.

\_\_\_\_\_  
Bidder/Offeror Name  
*(PLEASE PRINT OR TYPE)*

\_\_\_\_\_  
Signature of Affiant

Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**SUBMIT THIS AFFIDAVIT WITH BID/PROPOSAL**

**Attachment D2  
Outreach Efforts Compliance Statement**

**Complete and submit this form within 10 working days of notification of apparent award or actual award, whichever is earlier.**

In conjunction with the bid or offer submitted in response to Solicitation No. \_\_\_\_\_, Bidder/Offeror states the following:

1. Bidder/Offeror identified opportunities to subcontract in these specific work categories.
2. Attached to this form are copies of written solicitations (with bidding instructions) used to solicit MDOT certified MBEs for these subcontract opportunities.
3. Bidder/Offeror made the following attempts to contact personally the solicited MDOT certified MBEs.
4. Select ONE of the following:
  - a.  This project does not involve bonding requirements.
  - OR**
  - b.  Bidder/Offeror assisted MDOT certified MBEs to fulfill or seek waiver of bonding requirements (*describe efforts*).
  
5. Select ONE of the following:
  - a.  Bidder/Offeror did/did not attend the pre-bid/proposal conference.
  - OR**
  - b.  No pre-bid/proposal conference was held.

\_\_\_\_\_  
Bidder/Offeror Printed Name

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

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

## Attachment D3 Subcontractor Project Participation Certification

*Please complete and submit one form for each MDOT certified MBE listed on Attachment A within 10 working days of notification of apparent award.*

\_\_\_\_\_ (prime contractor) has entered into a contract with \_\_\_\_\_ (Subcontractor) to provide services in connection with the Solicitation described below.

Prime Contractor Address and Phone	Project Description
Project Number	Total Contract Amount \$
Minority Firm Name	MBE Certification Number
Work To Be Performed	
Percentage of Total Contract	

The undersigned Prime Contractor and Subcontractor hereby certify and agree that they have fully complied with the State Minority Business Enterprise law, State Finance and Procurement Article §14-308(a)(2), Annotated Code of Maryland which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a bid or proposal and:

- (1) fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority business enterprise in its bid or proposal;
- (2) fail to notify the certified minority business enterprise before execution of the contract of its inclusion of the bid or proposal;
- (3) fail to use the certified minority business enterprise in the performance of the contract; or
- (4) pay the certified minority business enterprise solely for the use of its name in the bid or proposal.

**PRIME CONTRACTOR SIGNATURE**

**SUBCONTRACTOR SIGNATURE**

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

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

Name, Title  
Date

Name, Title  
Date

This form is to be completed monthly by the prime contractor.

**Attachment D4**  
**Maryland Health Benefit Exchange**  
**Minority Business Enterprise Participation**  
**Prime Contractor Paid/Unpaid MBE Invoice Report**

Report #: _____  Reporting Period (Month/Year): _____  <b>Report is due to the MBE Officer by the 10<sup>th</sup> of the month following the month the services were provided.</b>	Contract #: _____  Contracting Unit: _____ Contract _____ Amount: _____ MBE Subcontract _____ Amt: _____ Project Begin _____ Date: _____ Project End _____ Date: _____ Services Provided: _____
--	--

**Note: Please number reports in sequence**

Prime Contractor:		Contact Person:																															
Address:																																	
City:		State:	ZIP:																														
Phone:	FAX:	Email:																															
Subcontractor Name:		Contact Person:																															
Phone:	FAX:																																
Subcontractor Services Provided:																																	
<b>List all payments made to MBE subcontractor named above during this reporting period:</b> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:10%;"></th> <th style="width:40%; text-align: center;"><u>Invoice#</u></th> <th style="width:50%; text-align: center;"><u>Amount</u></th> </tr> </thead> <tbody> <tr><td>1.</td><td></td><td></td></tr> <tr><td>2.</td><td></td><td></td></tr> <tr><td>3.</td><td></td><td></td></tr> <tr><td>4.</td><td></td><td></td></tr> </tbody> </table> <b>Total Dollars Paid: \$</b> _____			<u>Invoice#</u>	<u>Amount</u>	1.			2.			3.			4.			<b>List dates and amounts of any outstanding invoices:</b> <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:10%;"></th> <th style="width:40%; text-align: center;"><u>Invoice #</u></th> <th style="width:50%; text-align: center;"><u>Amount</u></th> </tr> </thead> <tbody> <tr><td>1.</td><td></td><td></td></tr> <tr><td>2.</td><td></td><td></td></tr> <tr><td>3.</td><td></td><td></td></tr> <tr><td>4.</td><td></td><td></td></tr> </tbody> </table> <b>Total Dollars Unpaid: \$</b> _____			<u>Invoice #</u>	<u>Amount</u>	1.			2.			3.			4.		
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\*\*If more than one MBE subcontractor is used for this contract, you must use separate D-5 forms.

**\*\*Return one copy (hard or electronic) of this form to the following addresses (electronic copy with signature and date is preferred):**

_____ Contract Monitor _____ Contracting Unit Department of Health and Mental Hygiene  _____ _____ _____
--

This form must be completed by  
MBE subcontractor

## ATTACHMENT D5

### Minority Business Enterprise Participation Subcontractor Paid/Unpaid MBE Invoice Report

Report#: _____  Reporting Period (Month/Year): _____  <b>Report is due by the 10<sup>th</sup> of the month following the month the services were performed.</b>	Contract # _____ Contracting Unit: _____ MBE Subcontract Amount: _____ Project Begin Date: _____ Project End Date: _____ Services Provided: _____
---	--

MBE Subcontractor Name: _____																																
MDOT Certification #: _____																																
Contact Person: _____		Email: _____																														
Address: _____																																
City: Baltimore	State: _____	ZIP: _____																														
Phone: _____	FAX: _____																															
<b>Subcontractor Services Provided:</b>																																
<b>List all payments received from Prime Contractor during reporting period indicated above.</b>  <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;"></th> <th style="width: 40%; text-align: center;"><u>Invoice Amt</u></th> <th style="width: 15%; text-align: center;"><u>Date</u></th> </tr> </thead> <tbody> <tr><td>1.</td><td></td><td></td></tr> <tr><td>2.</td><td></td><td></td></tr> <tr><td>3.</td><td></td><td></td></tr> <tr> <td colspan="2"><b>Total Dollars Paid: \$</b> _____</td> <td></td> </tr> </tbody> </table>			<u>Invoice Amt</u>	<u>Date</u>	1.			2.			3.			<b>Total Dollars Paid: \$</b> _____			<b>List dates and amounts of any unpaid invoices over 30 days old.</b>  <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 5%;"></th> <th style="width: 40%; text-align: center;"><u>Invoice Amt</u></th> <th style="width: 15%; text-align: center;"><u>Date</u></th> </tr> </thead> <tbody> <tr><td>1.</td><td></td><td></td></tr> <tr><td>2.</td><td></td><td></td></tr> <tr><td>3.</td><td></td><td></td></tr> <tr> <td colspan="2"><b>Total Dollars Unpaid: \$</b> _____</td> <td></td> </tr> </tbody> </table>		<u>Invoice Amt</u>	<u>Date</u>	1.			2.			3.			<b>Total Dollars Unpaid: \$</b> _____		
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1.																																
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3.																																
<b>Total Dollars Unpaid: \$</b> _____																																
Prime Contractor: _____		Contact Person: _____																														

**\*\*Return one copy of this form to the following address (electronic copy with signature & date is preferred):**

_____ Contract Monitor _____ Contracting Unit Department of Health and Mental Hygiene _____ _____ _____
--

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
(Required)



**MARYLAND Health Benefit Exchange**  
**Code of Maryland Regulations (COMAR)**  
**Title 21, State Procurement Regulations**  
*(regarding a waiver to a Minority Business Enterprise subcontracting goal)*

**COMAR 21.11.03.11 - Waiver.**

- A. If, for any reason, the apparent successful bidder or offeror is unable to achieve the contract goal for certified MBE participation, the bidder or offeror may request, in writing, a waiver to include the following:
- (1) A detailed statement of the efforts made to select portions of the work proposed to be performed by certified MBEs in order to increase the likelihood of achieving the stated goal;
  - (2) A detailed statement of the efforts made to contact and negotiate with certified MBEs including:
    - (a) The names, addresses, dates, and telephone numbers of certified MBEs contacted, and
    - (b) A description of the information provided to certified MBEs regarding the plans, specifications, and anticipated time schedule for portions of the work to be performed;
  - (3) As to each certified MBE that placed a subcontract quotation or offer that the apparent successful bidder or offeror considers not to be acceptable, a detailed statement of the reasons for this conclusion;
  - (4) A list of minority subcontractors found to be unavailable. This list should be accompanied by an MBE unavailability certification (MBE Attachment D6) signed by the minority business enterprise, or a statement from the apparent successful bidder or offeror that the minority business refused to give the written certification: and
  - (5) The record of the apparent successful bidder or offeror's compliance with the outreach efforts required under Regulation .09B(2)(b).
- A waiver may only be granted upon a reasonable demonstration by that MBE participation could not be obtained or could not be obtained at a reasonable price.
- If the waiver request is determined not to meet this standard, the bidder or offeror will be found non-responsive (bid) or not reasonably susceptible for award (proposal) and removed from further consideration.
- B. A waiver of a certified MBE contract goal may be granted only upon reasonable demonstration by the bidder or offeror that certified MBE participation was unable to be obtained or was unable to be obtained at a reasonable price and if the agency head or designee determines that the public interest is served by a waiver. In making a determination under this section, the agency head or designee may consider engineering estimates, catalogue prices, general market availability, and availability of certified MBEs in the area in which the work is to be performed, other bids or offers and subcontract bids or offers substantiating significant variances between certified MBE and non-MBE cost of participation, and their impact on the overall cost of the contract to the State and any other relevant factor.
- C. An agency head may waive any of the provisions of Regulations .09-.10 for a sole source, expedited, or emergency procurement in which the public interest cannot reasonably accommodate use of those procedures.
- D. When a waiver is granted, except waivers under Section C, one copy of the waiver determination and the reasons for the determination shall be kept by the MBE Liaison Officer with another copy forwarded to the Office of Minority Affairs.

**MBE ATTACHMENT D6**  
**MINORITY CONTRACTOR UNAVAILABILITY CERTIFICATE**

**Section I (to be completed by PRIME CONTRACTOR)**

I hereby certify that the firm of \_\_\_\_\_  
Name of Prime Contractor)

located at \_\_\_\_\_,  
(Number) (Street) (City) (State) (Zip)

on \_\_\_\_\_ contacted certified minority business enterprise, \_\_\_\_\_  
(Date) (Name of Minority Business)

\_\_\_\_\_ located at \_\_\_\_\_,  
(Number) (Street) (City) (State) (Zip)

seeking to obtain a bid for work/service for project number \_\_\_\_\_, project name \_\_\_\_\_

List below the type of work/ service requested:

Indicate the type of bid sought, \_\_\_\_\_. The minority business enterprise identified above is either unavailable for the work /service in relation to project number \_\_\_\_\_, or is unable to prepare a bid for the following reasons(s):

The statements contained above are, to the best of my knowledge and belief, true and accurate.

\_\_\_\_\_  
(Name) (Title)

\_\_\_\_\_  
(Number) (Street) (City) (State) (Zip)

\_\_\_\_\_  
(Signature) (Date)

**Note:** Certified minority business enterprise must complete Section II on reverse side.

**Section II (to be completed by CERTIFIED MINORITY BUSINESS ENTERPRISE)**

I hereby certify that the firm of \_\_\_\_\_ MBE Cert.# \_\_\_\_\_  
(Name of MBE Firm)

located at \_\_\_\_\_  
(Number) (Street) (City) (State) (Zip)

was offered the opportunity to bid on project number \_\_\_\_\_, ON \_\_\_\_\_  
(Date)

by \_\_\_\_\_  
(Prime Contractor's Name) (Prime Contractor Official's Name) (Title)

The statements contained in Section I and Section II of this document are, to the best of my knowledge and belief, true and accurate.

\_\_\_\_\_  
(Name) (Title) (Phone)

\_\_\_\_\_  
(Signature) (Fax Number)

**ATTACHMENT E – PRE-PROPOSAL CONFERENCE RESPONSE FORM**

**Solicitation Number - EXCHANGE (MDM0031004096)  
Maryland Health Benefit Exchange: Independent Verification and Validation**

A Pre-Proposal Conference will be held at 9:00 am Local Time, on August 3, 2012 at the UMBC Tech Center. Please return this form by July 31, 2012 advising us of your intentions to attend.

Return via e-mail or fax this form to the Point of Contact:

Kevin Yang  
Maryland Health Benefit Exchange  
4201 Patterson Avenue, 4<sup>th</sup> Floor  
Baltimore, MD  
Email: [hix.procurement@maryland.gov](mailto:hix.procurement@maryland.gov)  
Fax #: (410) 318-8532

Please indicate:

\_\_\_\_\_ Yes, the following representatives will be in attendance:

1.

---

2.

---

3.

---

\_\_\_\_\_ No, we will not be in attendance.

---

Signature \_\_\_\_\_ Title \_\_\_\_\_

---

Name of Firm (please print) \_\_\_\_\_

## ATTACHMENT F – LIVING WAGE REQUIREMENTS FOR SERVICE CONTRACTS

### Living Wage Requirements for Service Contracts

- A. The Contractor must adhere to the Living Wage requirements set forth in the Md. Code Ann., State Finance and Procurement Article, Title 18, and the corresponding regulations of the Commissioner of Labor and Industry. The Living Wage generally applies to a Contractor or Subcontractor who performs work on a State contract for services valued at \$100,000 or more. An employee is subject to the Living Wage if he/she is at least 18 years old or will turn 18 during the duration of the contract; works at least 13 consecutive weeks on the State Contract and spends at least one-half of the employee's time during any work week on the State Contract.
- B. The Living Wage Law does not apply to:
- (1) A Contractor who:
    - (a) Has a State contract for services valued at less than \$100,000, or
    - (b) Employs 10 or fewer employees and has a State contract for services valued at less than \$500,000.
  - (2) A Subcontractor who:
    - (a) Performs work on a State contract for services valued at less than \$100,000,
    - (b) Employs 10 or fewer employees and performs work on a State contract for services valued at less than \$500,000, or
    - (c) Performs work for a Contractor not covered by the Living Wage Law as defined in B(1)(b) above, or B (3) or C below.
  - (3) Service contracts for the following:
    - (a) Services with a Public Service Company;
    - (b) Services with a nonprofit organization;
    - (c) Services with an officer or other entity that is in the Executive Branch of the State government and is authorized by law to enter into a procurement (—Unit!); or
    - (d) Services between a Unit and a County or Baltimore City.
- C. If the Unit responsible for the State contract for services determines that application of the Living Wage would conflict with any applicable Federal program, the Living Wage does not apply to the contract or program.

- D. A Contractor must not split or subdivide a State contract for services, pay an employee through a third party, or treat an employee as an independent Contractor or assign work to employees to avoid the imposition of any of the requirements of the Md. Code Ann., State Finance and Procurement Article, Title 18.
- E. Each Contractor/Subcontractor, subject to the Living Wage Law, shall post in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.
- F. The Commissioner of Labor and Industry shall adjust the wage rates by the annual average increase or decrease, if any, in the Consumer Price Index for all urban consumers for the Washington/Baltimore metropolitan area, or any successor index, for the previous calendar year, not later than 90 days after the start of each fiscal year. The Commissioner shall publish any adjustments to the wage rates on the Division of Labor and Industry's Website. An employer subject to the Living Wage Law must comply with the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate, required by the Commissioner, automatically upon the effective date of the revised wage rate.
- G. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of the health insurance premium, as provided in the Md. Code Ann., State Finance and Procurement Article, §18-103(c), shall not lower an employee's wage rate below the minimum wage set at Md. Code Ann., Labor and Employment Article, §3-413. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of health insurance premium shall comply with any record reporting requirements established by the Commissioner of Labor and Industry.
- H. A Contractor/Subcontractor may reduce the wage rates paid under Md. Code Ann., State Finance and Procurement Article, §18-103(a), by no more than 50 cents of the hourly cost of the employer's contribution to an employee's deferred compensation plan. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's contribution to an employee's deferred compensation plan shall not lower the employee's wage rate below the minimum wage as set in Md. Code Ann., Labor and Employment Article, §3-413.
- I. Under Md. Code Ann., State and Finance Procurement Article, Title 18, if the Commissioner determines that the Contractor/Subcontractor violated a provision of this title or regulations of the Commissioner, the Contractor/Subcontractor shall pay restitution to each affected employee, and the State may assess liquidated damages of \$20 per day for each employee paid less than the Living Wage.
- J. Information pertaining to reporting obligations may be found by going to the Division of Labor and Industry Website at <http://www.dllr.state.md.us/labor/> and clicking on Living Wage..

**ATTACHMENT G-1 – MARYLAND LIVING WAGE AFFIDAVIT OF AGREEMENT**

Contract No. \_\_\_\_\_ Tier \_\_\_\_\_

Name of Contractor \_\_\_\_\_

Address \_\_\_\_\_

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

**If the Contract is Exempt from the Living Wage Law**

The Undersigned, being an authorized representative of the above named Contractor, hereby affirms that the Contract is exempt from Maryland’s Living Wage Law for the following reasons (check all that apply):

- Bidder/Offeror is a nonprofit organization
- Bidder/Offeror is a public service company
- Bidder/Offeror employs 10 or fewer employees and the proposed contract value is less than \$500,000
- Bidder/Offeror employs more than 10 employees and the proposed contract value is less than \$100,000

**If the Contract is a Living Wage Contract**

A. The Undersigned, being an authorized representative of the above named Contractor, hereby affirms our commitment to comply with the Md. Code Ann., State Finance and Procurement Article, Title 18 and, if required, to submit all payroll reports to the Commissioner of Labor and Industry with regard to the above stated contract. The Bidder/Offeror agrees to pay covered employees who are subject to living wage at least the living wage rate in effect at the time service is provided for hours spent on State contract activities, and to ensure that its Subcontractors who are not exempt also pay the required living wage rate to their covered employees who are subject to the living wage for hours spent on a State contract for services. The Contractor agrees to comply with, and ensure its Subcontractors comply with, the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate established by the Commissioner of Labor and Industry, automatically upon the effective date of the revised wage rate.

B. \_\_\_\_\_(initial here if applicable) The Bidder/Offeror affirms it has no covered employees for the following reasons: (check all that apply):

- The employee(s) proposed to work on the contract will spend less than one-half of the employee’s time during any work week on the contract
- The employee(s) proposed to work on the contract is/are 17 years of age or younger during the duration of the contract; or

- The employee(s) proposed to work on the contract will work less than 13 consecutive weeks on the State contract.

The Commissioner of Labor and Industry reserves the right to request payroll records and other data that the Commissioner deems sufficient to confirm these affirmations at any time.

Name of Authorized Representative: \_\_\_\_\_

\_\_\_\_\_  
Signature of Authorized Representative Date

\_\_\_\_\_  
Title

\_\_\_\_\_  
Witness Name (Typed or Printed)

\_\_\_\_\_  
Witness Signature Date

**Submit This Affidavit with Bid/Proposal**



## ATTACHMENT H – FEDERAL FUNDS REQUIREMENTS AND CERTIFICATIONS

### A Summary of Certain Federal Fund Requirements and Restrictions

[Details of particular laws, which may levy a penalty for noncompliance, are available from the Maryland Health Benefit Exchange.]

1. Form and rule enclosed: 18 U.S.C. 1913 and section 1352 of P.L. 101-121 require that all *prospective* and present subgrantees (this includes all levels of funding) who receive more than \$100,000 in federal funds must submit the form —Certification Against Lobbying<sup>l</sup>. It assures, generally, that recipients will not lobby federal entities with federal funds, and that, as is required, they will disclose other lobbying on form SF- LLL.
2. Form and instructions enclosed: —Form LLL, Disclosure of Lobbying Activities<sup>ll</sup> must be submitted by those receiving more than \$100,000 in federal funds, to disclose any lobbying of federal entities (a) with profits from federal contracts or (b) funded with nonfederal funds.
3. Form and summary of Act enclosed: Subrecipients of federal funds on any level must complete a —Certification Regarding Environmental Tobacco Smoke, required by Public Law 103-227, the Pro-Children Act of 1994. Such law prohibits smoking in any portion of any indoor facility owned or leased or contracted for regular provision of health, day care, early childhood development, education or library services for children under the age of 18. Such language must be included in the conditions of award (they are included in the certification, which may be part of such conditions.) This does not apply to those solely receiving Medicaid or Medicare, or facilities where WIC coupons are redeemed.
4. In addition, federal law requires that:
  - A) OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations requires that grantees (both recipients and subrecipients) which expend a total of \$500,000 or more in federal assistance shall have a single or program-specific audit conducted for that year in accordance with the provisions of the Single Audit Act of 1984, P.L. 98-502, and the Single Audit Act of 1996, P.L. 104-156, and the Office of Management and Budget (OMB) Circular A-133. All subgrantee audit reports, performed in compliance with the aforementioned Circular shall be forwarded within 30 days of report issuance to the Exchange, Audit Division, TBD, Baltimore, MD 21229.
  - B) All subrecipients of federal funds comply with Sections 503 and 504 of the Rehabilitation Act of 1973, the conditions of which are summarized in item (C).
  - C) Recipients of \$10,000 or more (on any level) must include in their contract language the requirements of Sections 503 (language specified) and 504 referenced in item (B).

Section 503 of the Rehabilitation Act of 1973, as amended, requires recipients to take affirmative action to employ and advance in employment qualified disabled people. An affirmative action program must be prepared and maintained by all contractors with 50 or more employees and one or more federal contracts of \$50,000 or more.

This clause must appear in subcontracts of \$10,000 or more:

- a) The Contractor will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Contractor agrees to take affirmative action to employ, advance in employment and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.
- b) The Contractor agrees to comply with the rules, regulations, and relevant orders of the secretary of labor issued pursuant to the act.
- c) In the event of the Contractor's non-compliance with the requirements of this clause, actions for non-compliance may be taken in accordance with the rules, regulations and relevant orders of the secretary of labor issued pursuant to the act.
- d) The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices in a form to be prescribed by the director, provided by or through the contracting office. Such notices shall state the Contractor's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.
- e) The Contractor will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract understanding, that the Contractor is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.
- f) The Contractor will include the provisions of this clause in every subcontract or purchase order of \$10,000 or more unless exempted by rules, regulations, or orders of the [federal] secretary issued pursuant to section 503 of the Act, so that such provisions will be binding upon each subcontractor vendor. The Contractor will take such action with respect to any subcontract or purchase order as the director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for non-compliance.

Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. Sec. 791 et seq.) prohibits discrimination on the basis of handicap in all federally assisted programs and activities. It requires the analysis and making of any changes needed in three general areas of operation- programs, activities, and facilities and employment. It states, among other things, that:

*Grantees that provide health... services should undertake tasks such as ensuring emergency treatment for the hearing impaired and making certain that persons with impaired sensory or speaking skills are not denied effective notice with regard to benefits, services, and waivers of rights or consents to treatments.*

- D) All subrecipients comply with Title VI of the Civil Rights Act of 1964, that they must not discriminate in participation by race, color, or national origin.
- E) All subrecipients of federal funds from SAMHSA (Substance Abuse and Mental Health Services Administration) or NIH (National Institute of Health) are prohibited from paying any direct salary at a rate in excess of Executive Level 1 per year. (This includes, but is not limited to, subrecipients of the Substance Abuse Prevention and Treatment and the Community Mental Health Block Grants and NIH research grants.)
- F) There may be no discrimination on the basis of age, according to the requirements of the Age Discrimination Act of 1975.
- G) For any education program, as required by Title IX of the Education Amendments of 1972, there may be no discrimination on the basis of sex.
- H) For research projects, a form for Protection of Human Subjects (Assurance/ Certification/ Declaration) should be completed by each level funded, assuring that either: (1) there are no human subjects involved, or that (2) an Institutional Review Board (IRB) has given its formal approval before human subjects are involved in research. [This is normally done during the application process rather than after the award is made, as with other assurances and certifications.]
- I) In addition, there are conditions, requirements, and restrictions which apply only to specific sources of federal funding. These should be included in your grant/contract documents when applicable.

Rev. 3/2008

CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; QA/QC IV&V vendors whose sole source or applicable Federal funds is Medicare or Medicaid; or facilities where WIC coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing this certification, the Offeror/contractor (for acquisitions) or applicant/grantee (for grants) certifies that the submitting organization will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

The submitting organization agrees that it will require that the language of this certification be included in any subawards which contain provisions for children's services and that all subrecipients shall certify accordingly.

NAME: \_\_\_\_\_

TITLE: \_\_\_\_\_

GRANT NO: \_\_\_\_\_

STATE: \_\_\_\_\_

U.S. Department of Health and Human Services

Certification Regarding Lobbying

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form- LLL —Disclosure Form to Report Lobby, in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Award No.	Organization Entity
Name and Title of Official for Organization Entity	Telephone No. of Signing Official
Signature of Above Official	Date Signed



16. Information requested through this form is authorized by title 31 U.S.C. section 1352. This disclosure of lobbying activities is a material representation of fact upon which reliance was placed by the tier above when this transaction was made or entered into. This disclosure is required pursuant to 31 U.S.C. 1352. This information will be available for public inspection. Any person who fails to file the required disclosure shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

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

Print Name: \_\_\_\_\_

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

Telephone No.: \_\_\_\_\_ Date: \_\_\_\_\_

**Federal Use Only:**

Authorized for Local Reproduction  
Standard Form LLL (Rev. 7-97)

## INSTRUCTIONS FOR COMPLETION OF SF-LLL, DISCLOSURE OF LOBBYING ACTIVITIES

This disclosure form shall be completed by the reporting entity, whether subawardee or prime Federal recipient, at the initiation or receipt of a covered Federal action, or a material change to a previous filing, pursuant to title 31 U.S.C. section 1352. The filing of a form is required for each payment or agreement to make payment to any lobbying entity for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with a covered Federal action. Complete all items that apply for both the initial filing and material change report. Refer to the implementing guidance published by the Office of Management and Budget for additional information.

1. Identify the type of covered Federal action for which lobbying activity is and/or has been secured to influence the outcome of a covered Federal action.
2. Identify the status of the covered Federal action.
3. Identify the appropriate classification of this report. If this is a follow-up report caused by a material change to the information previously reported, enter the year and quarter in which the change occurred. Enter the date of the last previously submitted report by this reporting entity for this covered Federal action.
4. Enter the full name, address, city, State and zip code of the reporting entity. Include Congressional District, if known. Check the appropriate classification of the reporting entity that designates if it is, or expects to be, a prime or subaward recipient. Identify the tier of the subawardee, e.g., the first subawardee of the prime is the 1st tier. Subawards include but are not limited to subcontracts, subgrants and contract awards under grants.
5. If the organization filing the report in item 4 checks "Subawardee," then enter the full name, address, city, State and zip code of the prime Federal recipient. Include Congressional District, if known.
6. Enter the name of the Federal agency making the award or loan commitment. Include at least one organizational level below agency name, if known. For example, Department of Transportation, United States Coast Guard.
7. Enter the Federal program name or description for the covered Federal action (item 1). If known, enter the full Catalog of Federal Domestic Assistance (CFDA) number for grants, cooperative agreements, loans, and loan commitments.
8. Enter the most appropriate Federal identifying number available for the Federal action identified in item 1 (e.g., Request for Proposal (RFP) number; Invitation for Bid (IFB) number; grant announcement number; the contract, grant, or loan award number; the application/proposal control number assigned by the Federal agency). Include prefixes, e.g., "RFP-DE-90-001."
9. For a covered Federal action where there has been an award or loan commitment by the Federal agency, enter the Federal amount of the award/loan commitment for the prime entity identified in item 4 or 5.
10. (a) Enter the full name, address, city, State and zip code of the lobbying registrant under the Lobbying Disclosure Act of 1995 engaged by the reporting entity identified in item 4 to influence the covered Federal action.
10. (b) Enter the full names of the individual(s) performing services, and include full address if different from 10 (a). Enter Last Name, First Name, and Middle Initial (MI).
11. The certifying official shall sign and date the form and print his/her name, title, and telephone number.

According to the Paperwork Reduction Act, as amended, no persons are required to respond to a collection of information unless it displays a valid OMB Control Number. The valid OMB control number for this information collection is OMB No. 0348-0046. Public reporting burden for this collection of information is estimated to average 10 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0046), Washington, DC 20503.

A PDF version of this form is available on-line at:

<http://www.whitehouse.gov/sites/default/files/omb/grants/sflll.pdf>



**ATTACHMENT I – CONFLICT OF INTEREST AFFIDAVIT AND DISCLOSURE**

**Reference COMAR 21.05.08.08**

- A. "Conflict of interest" means that because of other activities or relationships with other persons, a person is unable or potentially unable to render impartial assistance or advice to the State, or the person's objectivity in performing the contract work is or might be otherwise impaired, or a person has an unfair competitive advantage.
  
- B. "Person" has the meaning stated in COMAR 21.01.02.01(B)(64) and includes an Offeror, Offeror, consultant, or subcontractor or sub-consultant at any tier, and also includes an employee or agent of any of them if the employee or agent has or will have the authority to control or supervise all or a portion of the work for which a bid or offer is made.
  
- C. The Offeror warrants that, except as disclosed in §D, below, there are no relevant facts or circumstances now giving rise or which could, in the future, give rise to a conflict of interest.
  
- D. The following facts or circumstances give rise or could in the future give rise to a conflict of interest (explain in detail—attach additional sheets if necessary):
  
- E. The Offeror agrees that if an actual or potential conflict of interest arises after the date of this affidavit, the Offeror shall immediately make a full disclosure in writing to the procurement officer of all relevant facts and circumstances. This disclosure shall include a description of actions which the Offeror has taken and proposes to take to avoid, mitigate, or neutralize the actual or potential conflict of interest. If the contract has been awarded and performance of the contract has begun, the Offeror shall continue performance until notified by the procurement officer of any contrary action to be taken.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

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

By: \_\_\_\_\_  
(Authorized Representative and Affiant)

SUBMIT THIS AFFIDAVIT WITH THE TECHNICAL RESPONSE

## ATTACHMENT J – TRADING PARTNER AGREEMENT

### TRADING PARTNER AGREEMENT

This Trading Partner Agreement (this “Agreement”) is made by and between the Maryland Health Benefit Exchange, a public corporation and independent unit of the government of the State of Maryland (“MHBE”) and \_\_\_\_\_, a [corporation or other business entity type here] (the “Trading Partner”), as of the Effective Date defined below. Each of MHBE and the Trading Partner is a “Party” to this Agreement and shall collectively be known as the “Parties”.

### RECITALS

WHEREAS, MHBE is a state-based exchange established pursuant to the Patient Protection and Affordable Care Act of 2010 (Pub. L. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Public Law No. 111-152) (together with regulations promulgated pursuant thereto, the “ACA”), and particularly pursuant to 45 C.F.R. § 155.110, as well as pursuant to Title 31 of the Insurance Article of the Maryland Code Annotated, and

WHEREAS, the Trading Partner submitted a proposal in response to that certain Request for Proposals: Maryland Health Benefit Exchange Independent Verification & Validation (IV&V) and Quality Assurance/Quality Control Services, Solicitation No. MDM0031 (the “RFP”); and

WHEREAS, the Trading Partner has been notified of award or awarded a contract (the “Underlying Agreement”) pursuant to the RFP; and

WHEREAS, the execution of this Agreement is required pursuant to the RFP, which is incorporated into the Underlying Agreement and is a part thereof; and

WHEREAS, MHBE and the Trading Partner enter into this Agreement effective as of the effective date of the Underlying Agreement (the “Effective Date”), pursuant to which the Trading Partner shall be a QA/QC IV&V vendor for MHBE to perform the functions set forth in the Underlying Agreement; and

WHEREAS, the contractual relationship between MHBE and the Trading Partner set forth in the Underlying Agreement may involve access to Personally Identifiable Information (“PII”), as that term is defined herein, for purposes authorized under the ACA and, more particularly, under 45 C.F.R. § 155.200, including but not limited to validating the proper functioning and security of MHBE systems used in eligibility determinations and other core functions; and

WHEREAS, the Trading Partner’s access to PII submitted to the Exchange shall make the Trading Partner a “Non-Exchange Entity”, as that term is defined in 45 C.F.R. § 155.260(b)(1); and

WHEREAS, for good and lawful consideration as set forth in the Underlying Agreement, MHBE and the Trading Partner each acknowledge and agree that they enter into this Agreement for the purposes, among others as may be detailed herein, of ensuring the confidentiality, privacy and security of data exchanged between them under this Agreement (the “Data”) and compliance with the requirements of the ACA including 45 C.F.R. § 155.260(b)(2) and, regardless of whether otherwise applicable to the Trading Partner, 45 C.F.R. § 155.270(a); and

WHEREAS, this Agreement supersedes and replaces any and all Business Associate Agreements or Trading Partner Agreements the Trading Partner and MHBE may have entered into prior to the date hereof;

NOW THEREFORE, the premises having been considered with acknowledgement of the mutual promises and of other good and valuable consideration herein contained, the Parties, intending to be legally bound, hereby agree as follows:

### AGREEMENT

A. **Recitals.** The Recitals are true and correct in all respects, are incorporated into this Agreement and form a part of this Agreement.

B. **Definitions.** For purposes of this Agreement, the Parties agree that the following definitions apply, regardless of whether the identified word is capitalized herein:

1. “Breach” shall mean the compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, loss of control, or any similar term or phrase that refers to situations where persons other than authorized users or for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic.

2. “HIPAA” shall mean the Health Insurance Portability and Accountability Act of 1996 including all pertinent privacy regulations (45 C.F.R. Parts 160 and 164) and security regulations (45 C.F.R. Parts 160, 162, and 164) as amended from time to time issued by the U.S. Department of Health and Human Services, as either have been amended, including, without limitation, by Subtitle D of the Health Information Technology for Economic and Clinical Health Act (the “HITECH Act”), as Title XIII of Division A and Title IV of Division B of the American Recovery and Reinvestment Act of 2009 (Pub. L. 111–5).

3. “Incident” shall mean the act of violating an explicit or implied security policy, which includes attempts (either failed or successful) to gain unauthorized access to a system or its data, unwanted disruption or denial of service, the unauthorized use of a system for processing or storage of data; and changes to system hardware, firmware, or software characteristic’s without the owner’s knowledge, instruction or consent. Incidents include the loss of data through theft or device misplacement, loss or misplacement of hardcopy documents, and misrouting of mail, all of which may have the potential to put the data at risk of unauthorized access, use, disclosure, modification or destruction. While certain adverse events (e.g., floods, fires, electrical outages, excessive heat, etc.) can cause system crashes, they are not considered incidents. An incident becomes a breach when there is the loss of control, compromise, unauthorized disclosure, unauthorized acquisition, unauthorized access, or any similar term referring to situations where persons other than authorized users and for an other than authorized purpose have access or potential access to personally identifiable information, whether physical or electronic.

4. “Personally Identifiable Information” or “PII” shall mean any information about an individual maintained by an agency, including (1) any information that can be used to distinguish or trace an individual’s identity, such as name, social security number, date or place of birth, mother’s maiden name, or biometric records; and (2) any other information that is linked or linkable to an individual, such as medical, educational, financial, and employment information.

5. “Unsecured PII” shall include, but not be limited to, electronic PII that is not encrypted by use of an algorithmic process to transform data into a form in which there is a low probability of assigning meaning without use of a confidential process or key.

**C. Permitted Uses and Disclosure of PII by the Trading Partner.**

1. Trading Partner may only use or disclose PII as necessary to perform the services set forth in the Underlying Agreement or as required by law.

2. Trading Partner agrees to make uses and disclosures and requests for PII consistent with MHBE’s policies and procedures regarding minimum necessary use of PII.

3. Trading Partner shall not use or disclose PII in a manner that would violate 45 C.F.R. § 155.260 if done by MHBE.

4. Except as otherwise limited in this Agreement, Trading Partner agrees to disclose PII for the proper management and administration, or legal responsibilities of the Trading Partner only when (i) such disclosures are required by law, or (ii) Trading Partner obtains reasonable assurances from the person to whom

the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Trading Partner of any instances of which it is aware in which the confidentiality of the information has been breached.

5. Trading Partner shall not directly or indirectly receive remuneration in exchange for any PII of an individual and will comply, regardless of whether the PII constitutes personal health information as that term is defined under 45 C.F.R. § 160.103, with the provisions of §§ 13405(d)(1) and (2) of the HITECH Act, with respect to the PII.

6. Trading Partner shall comply with the limitations on marketing and fundraising communications provided in in § 13406 of the HITECH Act in connection with any PII of individuals, regardless of whether the PII constitutes PHI under HIPAA in in 45 C.F.R. § 160.103.

**D. Duties of the Trading Partner Relative to PII.**

1. The Trading Partner shall not use or disclose PII other than as permitted or required by the Agreement or as required by law.

2. The Trading Partner shall use appropriate administrative, technical and physical safeguards to protect the privacy of PII including, without limitation, by storing electronic PII in encrypted format.

3. Trading Partner shall use privacy and security standards at least as protective as MHBE has established and implemented for itself. For example, and without limitation, Trading Partner shall comply with the standards, implementation specifications, operating rules, and code sets adopted in 45 C.F.R. Parts 160 and 162, regardless of whether otherwise made applicable to Trading Partner pursuant to 45 C.F.R. § 155.270(a), to provide for the secure exchange of PII and to prevent use or disclosure of PII other than as provided in the Agreement.

4. Trading Partner shall monitor, periodically assess, and update its security controls and related system risks, to ensure the continued effectiveness of those controls.

5. Trading Partner shall inform MHBE of any change in its administrative, technical or operational environments to the extent any are material in the Underlying Agreement.

6. Trading Partner shall require any agents or downstream entities to which access to PII is granted in connection with the Underlying Agreement to adhere to the same privacy and security standards and obligations to which Trading Partner hereby agrees.

7. Trading Partner shall report to MHBE any use or disclosure of PII not permitted by this Agreement or required by law, including any Breaches of PII of which it becomes aware. Trading Partner further agrees to report to MHBE any Incident of which it becomes aware without unreasonable delay, and in no case later than five (5) calendar days after the Incident. Further, Trading Partner shall report all suspected or confirmed Incidents involving loss or suspected loss of PII to MHBE within one hour of discovery.

8. If the use or disclosure amounts to a Breach of unsecured PII, the Trading Partner shall ensure its report:

a. Is made to MHBE without unreasonable delay and in no case later than fifteen (15) calendar days after the Incident constituting the Breach is first known, except where a law enforcement

official determines that a notification would impede a criminal investigation or cause damage to national security. For the avoidance of doubt, Trading Partner must notify MHBE of an incident involving the acquisition, access, use or disclosure of PII in a manner not permitted under 45 C.F.R. § 155.260 or this Agreement within five (5) calendar days after an Incident even if Trading Partner has not conclusively determined within that time that the Incident constitutes a Breach as defined by this Agreement;

- b. Includes the names of the individuals whose unsecured PII has been, or is reasonably believed to have been, the subject of a Breach;
- c. Is in substantially the same form as **EXHIBIT 1** attached hereto; and
- d. Includes a draft letter for MHBE to utilize to notify the affected individuals that their unsecured PII has been, or is reasonably believed to have been, the subject of a Breach that includes, to the extent possible:
  - i) A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach, if known;
  - ii) A description of the types of unsecured PII that were involved in the Breach (such as full name, Social Security number, date of birth, home address, account number, or other types of information that were involved);
  - iii) Any steps the affected Individuals should take to protect themselves from potential harm resulting from the Breach;
  - iv) A brief description of what MHBE and the Trading Partner are doing to investigate the Breach, to mitigate losses, and to protect against any further Breaches; and
  - v) Contact procedures for the affected individuals to ask questions or learn additional information, which shall include a toll-free telephone number, an e-mail address, web site, or postal address.

9. To the extent permitted by the Underlying Agreement, Trading Partner may use agents and subcontractors. The Trading Partner shall ensure that any subcontractors or agents, including, without limitation, application counselors, that create, receive, maintain, or transmit PII on behalf of Trading Partner agree to the same restrictions, conditions and requirements that apply to Trading Partner with respect to such information.

10. Trading Partner agrees to maintain and make available the information required to prove an accounting of disclosures of PII to MHBE or, as directed by MHBE, to an individual.

11. Trading Partner agrees to make its internal practices, books, and records, including PII, available to MHBE and/or the Secretary of the U.S. Department of Health and Human Services for purposes of determining compliance with the ACA's privacy and security regulations as well as with the standards MHBE has established pursuant to 45 C.F.R. § 155.260, as set forth in 45 C.F.R. § 155.280(a).

12. Trading Partner agrees to mitigate, to the extent practicable, any harmful effect known to Trading Partner of a use or disclosure of PII by Trading Partner in violation of the requirements of this Agreement.

#### **E. Term and Termination.**

1. **Term.** The Term of this Agreement shall be effective as of the effective date of the Underlying Agreement, and shall terminate when all of the PII provided by MHBE to the Trading partner, or the PII created

or received by Trading Partner on behalf of MHBE, is destroyed or returned to MHBE, in accordance with the termination provisions in this Section I, or on the date MHBE terminates for cause as authorized in paragraph (2) of this Section, whichever is sooner. If it is impossible to return or destroy all of the PII provided by MHBE to Trading Partner, or the PII created or received by Trading Partner on behalf of MHBE, Trading Partner's obligations under this contract shall be ongoing with respect to that information, unless and until a separate written agreement regarding that information is entered into with MHBE.

2. Termination. Upon MHBE's knowledge of a material breach of this Agreement by Trading Partner, MHBE:

- a. Shall provide an opportunity for Trading Partner to cure the breach or end the violation and, if Trading Partner does not cure the breach or end the violation within the time specified by MHBE, may terminate this Agreement; or
- b. May immediately terminate this Agreement if Trading Partner has breached a material term of this Agreement and MHBE determines or reasonably believes that cure is not possible.

3. Effect of Termination.

a. Upon termination of this Agreement, for any reason, Trading Partner shall return or, if agreed to by MHBE, destroy all PII received from MHBE, or created, maintained, or received by Trading Partner on behalf of MHBE, which the Trading Partner maintains in any form. Trading Partner shall retain no copies of the PII. This provision shall apply to PII that is in the possession of subcontractors or agents of Trading Partner.

b. Should Trading Partner make an intentional or grossly negligent Breach of PII in violation of this Agreement or applicable law, MHBE shall have the right to immediately terminate any contract, other than this Agreement, then in force between the Parties, including the Underlying Agreement.

4. Survival. The obligations of Trading Partner under this Section shall survive the termination of this agreement.

F. **Consideration.** Trading Partner recognizes that the promises it has made in this Agreement shall, henceforth, be detrimentally relied upon by MHBE in choosing to continue or commence a business relationship with Trading Partner.

G. **Remedies in the Event of Breach.** Trading Partner hereby recognizes that irreparable harm will result to MHBE, and to the business of MHBE, in the event of breach by Trading Partner of any of the covenants and assurances contained in this Agreement. As such, in the event of breach of any of the covenants and assurances contained in Sections C or D above, MHBE shall be entitled to enjoin and restrain Trading Partner from any continued violation of Sections C or D. Furthermore, in the event of breach of Sections C or D by Trading Partner, MHBE is entitled to reimbursement and indemnification from Trading Partner for MHBE's reasonable attorneys' fees and expenses and costs that were reasonably incurred as a proximate result of Trading Partner's breach. The remedies contained in this Section G shall be in addition to, not in lieu of, any action for damages and/or any other remedy MHBE may have for breach of any part of this Agreement or the Underlying Agreement or which may be available to MHBE at law or in equity.

H. **Modification; Amendment.** This Agreement may only be modified or amended through a writing signed by the Parties and, thus, no oral modification or amendment hereof shall be permitted. The

Parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary for MHBE to comply with the requirements of the ACA and, were it to become or imminently be applicable, the Health Insurance Portability and Accountability Act of 1996, as amended, together with all regulations promulgated thereto, and any other applicable law.

**I. Interpretation of this Agreement in Relation to Other Agreements Between the Parties.**

Should there be any conflict between the language of this Agreement and any other contract entered into between the Parties (either previous or subsequent to the date of this Agreement), the language and provisions of this Agreement shall control and prevail unless the parties specifically refer in a subsequent written agreement to this Agreement by its title and date and specifically state that the provisions of the later written agreement shall control over this Agreement.

**J. Governing Law.** This Agreement shall be governed and construed in accordance with the laws

of the State of Maryland, including, without limitation, Title 12 of the State Government Article of the Annotated Code of Maryland, but without regard to its choice of law provisions. This Agreement is not intended to modify the Parties' respective obligations to comply with all applicable federal, state and local laws, rules, and regulations, including but in no way limited to any and all laws, rules, and regulations related to privacy protection and confidentiality.

**K. Miscellaneous.**

1. Ambiguity. Any ambiguity in this Agreement shall be resolved to permit MHBE to comply with the ACA and its provisions with respect to the privacy and security of personally identifiable information.

2. Regulatory References. A reference in this Agreement to a section in the ACA, including any regulations promulgated thereto, means the section as in effect or as amended.

3. Notice to MHBE. Any notice required under this Agreement to MHBE shall be made in writing to:

\_\_\_\_\_  
\_\_\_\_\_  
Maryland Health Benefit Exchange  
750 E. Pratt Street, 16<sup>th</sup> Floor  
Baltimore, MD 21202  
Phone: (410) 547-1816  
Email: \_\_\_\_\_

With a copy to:  
L. Kristine Hoffman, Counsel  
Office of the Attorney General  
Maryland Health Benefit Exchange Division  
300 West Preston Street, Ste. 302  
Baltimore, MD 21201  
Phone: (410) 547-1279; (410) 767-8670  
Email: Kristine.Hoffman@maryland.gov

4. Notice to Trading Partner. Any notice required under this Agreement to be given Trading Partner shall be made in writing to:

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

\_\_\_\_\_

Attention: \_\_\_\_\_

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

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

5. Method of Notice. Notices shall be sufficient if made by email and acknowledged within 24 hours by reply email, or delivered by a nationally recognized overnight carrier, such as FedEx, or via U.S. Mail-Certified Delivery, Return Receipt Requested.

6. Survival. Any provision of this Agreement which contemplates performance or observance subsequent to any termination or expiration of this contract shall survive termination or expiration of this Agreement and continue in full force and effect.

7. Severability. If any term contained in this Agreement is held or finally determined to be invalid, illegal, or unenforceable in any respect, in whole or in part, such term shall be severed from this Agreement, and the remaining terms contained herein shall continue in full force and effect, and shall in no way be affected, prejudiced, or disturbed thereby.

8. Terms. All of the terms of this Agreement are contractual and not merely recital and none may be amended or modified except by a writing executed by all parties hereto.

9. Priority. This Agreement supersedes and renders null and void any and all prior written or oral undertakings or agreements between the parties regarding the subject matter hereof. For the avoidance of doubt, such null and void prior agreements do not include the Underlying Agreement.

[Signatures next page(s)]



IN WITNESS WHEREOF and acknowledging acceptance and agreement of the foregoing, the Parties affix their signatures hereto.

**MHBE:**

**TRADING PARTNER:**

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

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

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

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

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

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

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

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

Approved as to form and legal sufficiency  
this \_\_\_\_ day of \_\_\_\_\_, 2014.

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

\_\_\_\_\_  
Assistant Attorney General  
Maryland Health Benefit Exchange

**ATTACHMENT J-1 – EXHIBIT 1 TO TRADING PARTNER AGREEMENT**

**EXHIBIT 1  
EXHIBIT 1 TO TRADING PARTNER AGREEMENT  
FORM OF NOTIFICATION TO MHBE OF  
BREACH OF UNSECURED PII**

This notification is made pursuant the Trading Partner Agreement between the MARYLAND HEALTH BENEFIT EXCHANGE, a public corporation and independent unit of State government (“MHBE”) and \_\_\_\_\_ [insert name of Trading Partner] [insert corporation or other business type here] (the “Trading Partner”).

Trading Partner hereby notifies MHBE that there has been a breach of unsecured personally identifiable information (“PII”) that Trading Partner has used or has had access to under the terms of the Trading Partner Agreement.

Description of the breach:

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Date of the breach: \_\_\_\_\_ Date of discovery of the breach: \_\_\_\_\_

Does the breach involve 500 or more individuals? Yes/No

If yes, do the people live in multiple states? Yes/No

Number of individuals affected by the breach: \_\_\_\_\_

Names of individuals affected by the breach: (attach list)

The types of unsecured PII that were involved in the breach (such as full name, Social Security number, date of birth, home address, account number or other number):

---

---

Description of what Trading Partner is doing to investigate the breach, to mitigate losses, and to protect against any further breaches:

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Contact information to ask questions or learn additional information:

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

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

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

\_\_\_\_\_

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

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

**ATTACHMENT K – NON-DISCLOSURE AGREEMENT (AWARD)**

**THIS NON-DISCLOSURE AGREEMENT** (the —Agreement) is made this \_\_ day of \_\_\_\_\_,

20 , by and between the State of Maryland (the —State"), acting by and through its Maryland Health Benefit Exchange (the —Exchange) and (the —Contractor).

**RECITALS**

**WHEREAS**, the Contractor has been awarded a contract (the —Contract) for (enter a short description of the service) Contract No. EXCHANGE-OPASS \_\_\_\_\_ - \_\_\_\_\_ dated \_\_\_\_\_, 20\_ (the —Contract); and

**WHEREAS**, in order for the Contractor to perform the work required under the Contract, it will be necessary for the State at times to provide the Contractor and the Contractor’s employees, agents, and subcontractors (collectively the —Contractor’s Personnel) with access to certain information the State deems confidential information (the —Confidential Information).

**NOW, THEREFORE**, in consideration of being given access to the Confidential Information in connection with the RFP and the Contract, and for other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties do hereby agree as follows:

1. Confidential Information means any and all information provided by or made available by the State to the Contractor in connection with the Contract, regardless of the form, format, or media on or in which the Confidential Information is provided and regardless of whether any such Confidential Information is marked as such. Confidential Information includes, by way of example only, information that the Contractor views, takes notes from, copies (if the State agrees in writing to permit copying), possesses or is otherwise provided access to and use of by the State in relation to the Contract.
2. Contractor shall not, without the State’s prior written consent, copy, disclose, publish, release, transfer, disseminate, use, or allow access for any purpose or in any form, any Confidential Information provided by the State except for the sole and exclusive purpose of performing under the Contract. Contractor shall limit access to the Confidential Information to the Contractor’s Personnel who have a demonstrable need to know such Confidential Information in order to perform under the Contract and who have agreed in writing to be bound by the disclosure and use limitations pertaining to the Confidential Information. The names of the Contractor’s Personnel are attached hereto and made a part hereof as Exhibit A. Each individual whose name appears on Exhibit A shall execute a copy of this Agreement and thereby be subject to the terms and conditions of this Agreement to the same extent as the Contractor. Contractor shall update Exhibit A by adding additional names (whether Contractor’s personnel or a subcontractor’s personnel) as needed, from time to time.
3. If the Contractor intends to disseminate any portion of the Confidential Information to non-employee agents who are assisting in the Contractor’s performance of the RFP or who will otherwise have a role in performing any aspect of the RFP, the Contractor shall first obtain the written consent of the State to any such dissemination. The State may grant, deny, or condition any such consent, as it may deem appropriate in its sole and absolute subjective discretion.

4. Contractor hereby agrees to hold the Confidential Information in trust and in strictest confidence, to adopt or establish operating procedures and physical security measures, and to take all other measures necessary to protect the Confidential Information from inadvertent release or disclosure to unauthorized third parties and to prevent all or any portion of the Confidential Information from falling into the public domain or into the possession of persons not bound to maintain the confidentiality of the Confidential Information.
5. Contractor shall promptly advise the State in writing if it learns of any unauthorized use, misappropriation, or disclosure of the Confidential Information by any of the Contractor's Personnel or the Contractor's former Personnel. Contractor shall, at its own expense, cooperate with the State in seeking injunctive or other equitable relief against any such person(s).
6. Contractor shall, at its own expense, return to the Exchange all copies of the Confidential Information in its care, custody, control or possession upon request of the Exchange or on termination of the Contract. Confidential Information returned to the State shall be accompanied by the Certification that is attached hereto and made a part hereof as Exhibit B and shall be signed by an officer of the Contractor authorized to bind the Contractor.
7. A breach of this Agreement by the Contractor or by the Contractor's Personnel shall constitute a breach of the Contract between the Contractor and the State.
8. Contractor acknowledges that any failure by the Contractor or the Contractor's Personnel to abide by the terms and conditions of use of the Confidential Information may cause irreparable harm to the State and that monetary damages may be inadequate to compensate the State for such breach. Accordingly, the Contractor agrees that the State may obtain an injunction to prevent the disclosure, copying or improper use of the Confidential Information. The Contractor consents to personal jurisdiction in the Maryland State Courts. The State's rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and to seek damages from the Contractor and the Contractor's Personnel for a failure to comply with the requirements of this Agreement. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys' fees and disbursements) that are attributable, in whole or in part to any failure by the Contractor or any of the Contractor's Personnel to comply with the requirements of this Agreement, the Contractor shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and costs.
9. Contractor and each of the Contractor's Personnel who receive or have access to any Confidential Information shall execute a copy of an agreement substantially similar to this Agreement and the Contractor shall provide originals of such executed Agreements to the State.
10. The parties further agree that:
  - a. This Agreement shall be governed by the laws of the State of Maryland;
  - b. The rights and obligations of the Contractor under this Agreement may not be assigned or delegated, by operation of law or otherwise, without the prior written consent of the State;
  - c. The State makes no representations or warranties as to the accuracy or completeness of any Confidential Information;
  - d. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision of this Agreement;
  - e. Signatures exchanged by facsimile are effective for all purposes hereunder to the same extent as original signatures; and
  - f. The Recitals are not merely prefatory but are an integral part hereof.

Contractor: <INSERT NAME>

Maryland Health Benefit Exchange

By: \_\_\_\_\_ (SEAL)  
(SEAL)

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

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Printed Name and Title

\_\_\_\_\_  
Date

\_\_\_\_\_  
Date

EXHIBIT A

LIST OF CONTRACTOR'S EMPLOYEES AND AGENTS WHO WILL BE GIVEN ACCESS TO THE CONFIDENTIAL INFORMATION

Printed Name and Address of Individual/Agent	Employee (E) or Agent (A) Date	Signature	
_____	_____	_____	_____
_____	_____	_____	_____

EXHIBIT B

CERTIFICATION TO ACCOMPANY RETURN OF CONFIDENTIAL INFORMATION

I AFFIRM THAT:

To the best of my knowledge, information, and belief, and upon due inquiry, I hereby certify that: (i) all Confidential Information which is the subject matter of that certain Agreement by and between the \_\_\_\_\_ State \_\_\_\_\_ of \_\_\_\_\_ Maryland \_\_\_\_\_ and \_\_\_\_\_ (—Contractor) dated \_\_\_\_\_, 20\_\_\_\_ (—Agreement) is attached hereto and is hereby returned to the State in accordance with the terms and conditions of the Agreement; and (ii) I am legally authorized to bind the Contractor to this affirmation.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF, HAVING MADE DUE INQUIRY.

DATE: \_\_\_\_\_

NAME OF CONTRACTOR: \_\_\_\_\_

BY: \_\_\_\_\_  
(Signature)

TITLE: \_\_\_\_\_  
(Authorized Representative and Affiant)

## ATTACHMENT L – TRANSFER SYSTEM SOW

From Maryland Health Benefit Exchange Statement of Work Transfer HBX Solution :: Connecticut to Maryland dated March 13, 2014

### **Section 2.6. Requirements.**

#### ***2.6.1. Program / Project Management Framework.***

MHBE defines Program Management as the overall effort that focuses on planning, mobilizing, reviewing, and managing related multiple, sometimes parallel, projects needed to achieve a complex, integrated, and large-scale system. For the purposes of this Contract, Program Management encompasses all aspects of the System Development Life Cycle, overseeing all activities necessary to develop, test, accept, approve, and deploy the HBX for public use.

The Vendor shall provide a Program / Project Management Framework that the Vendor shall follow for all projects in the program. The proposed Framework shall meet industry standards.

The Framework shall contain, but not be limited to, a complete and accurate recommendation for industry best practices, required project and system documentation, plans and project metrics.

At a minimum, the Framework shall contain:

- Program Governance Structures, including Program Organization Chart
- A Program Charter outlining assumptions, known or presumed risks, milestones (draft dates or durations to be agreed upon in discussions with MHBE leadership), and roles/responsibilities
- Standards for program and project communications including weekly and monthly status reporting and Steering Committee meetings
- A draft of proposed standard meetings and necessary attendees from MHBE
- A proposed integrated Program Work Plan which shows the Vendor's approach to completing all work for the E&E solution including integration of the PMB Solution. The approach should include a work breakdown structure (WBS) with Task and Subtask descriptions, associated Deliverables, and resource requirements. The integrated project plan shall show details for all projects within the program, including task descriptions, dependencies, resource requirements, task assignments, effort, start and end dates for all activities and tasks, durations, milestones including Deliverable dates and review cycles and federal review dates, and project critical path for the delivery of the HBX Program
- Review and acceptance criteria for completion of each major phase of work

The Program / Project Management Framework deliverable is due 20 business days following receipt of Notice to Proceed. An outline may be submitted to the State prior to the final deliverable due date, for approval on approach.

#### ***2.6.2. Integrated Program Work Plan (Schedule).***

MHBE has concurrent projects that will deliver solutions expected to integrate with the solutions developed within this project. In addition, the projects will require the sharing of limited resources, including MHBE staff. The Vendor for this project shall be required to collaborate and cooperate with other Vendors and MHBE, as needed, in order to develop and maintain a consolidated multi-project Program Work Plan. For the purposes of this Contract, the term "Program Work Plan" refers to the integrated schedule.

The Vendor shall create and maintain an Integrated Program Work Plan. The approach should include a work breakdown structure (WBS) with Task and Subtask descriptions, associated Deliverables, and resource requirements. The Work Plan shall show details for all projects within the program, including task descriptions, dependencies, resource requirements, task assignments, effort, start and end dates for all activities and tasks, durations, milestones including Deliverable dates and review cycles and federal review dates, and project critical path for the delivery of the HBX Program.



As Vendors may have varying start dates, the Work Plan shall be a living document and the Vendor shall be flexible and work with other Vendors and MHBE, as needed, to modify, update and maintain the consolidated Work Plan.

The first draft of the Integrated Program Work Plan deliverable is due 20 business days following receipt of Notice to Proceed with updates submitted to MHBE weekly thereafter.

### ***2.6.3. Deliverable and Artifact Management.***

The Vendor shall put in place a Deliverable and Artifact Management approach that ensures the expectations, requirements, and content associated with each Deliverable and Artifact are clearly defined and agreed to in advance of actual delivery.

The Vendor shall use Deliverable Expectation Documents (DEDs), which will be submitted to and reviewed with the State to ensure the Vendor and the State have an agreed understanding of the expectations, requirements, and content of each deliverable. The DEDs will be designed to maximize the ability for deliverables to also serve as artifacts for required Federal reviews.

All deliverables and artifacts are subject to review and approval from the State. The review cycle time required for each deliverable/artifact will be mutually established between the Vendor and the State in the course of finalizing the Integrated Project Plan and be further reviewed and revised during the DED review cycles. The Vendor shall be responsible for managing the schedule for all deliverables/artifacts under the scope of work including the schedule for submission, review, updates and final approval.

All deliverables and artifacts shall be maintained by the Vendor in a State-approved electronic library that is accessible by State staff and within the MHBE domain. The Vendor shall be responsible for maintaining all document directory structures, document versions and ensuring that all documents are accessible to State staff within the agreed deliverable schedule.

The Vendor shall present its deliverable/artifact schedule in the Integrated Project Plan to be agreed with and approved by the State prior to the commencement of any work. The deliverable/artifact schedule shall conform to any milestones laid out by the State's Enterprise Roadmap and CMS Exchange Lifecycle and CCIIO Establishment reviews.

The Vendor shall deliver preliminary and interim versions of deliverables/artifacts as required by the schedule for CMS Exchange Lifecycle and CCIIO Establishment Reviews. The final version shall be subject to review and approval by the State, regardless of any preliminary or interim versions received and accepted for the purposes of CMS Exchange Lifecycle or CCIIO Establishment Reviews. Payment shall not be issued until the final version of all deliverable documents and artifacts required to meet a payment milestone have been approved by the State. The Vendor shall account for at least one resource dedicated to managing the schedule of and repository for deliverables/artifacts. Responsibilities shall include but not be limited to maintaining the SharePoint repository for deliverables/artifacts, tracking the status of deliverables/artifacts in review and deliverables/artifacts approved, tracking the completion of action items and comments on deliverables/artifacts, maintaining communication records of signoffs or deliverable/artifact rejections.

All deliverables/artifacts are expected to be of a level of quality and completeness that indicates that they have been reviewed and proof read by the Vendor prior to being delivered to the State. Indicators of quality and completeness include but are not limited to:

- A standard of business and technical writing that limits ambiguity and rework by MHBE
- A level of English proficiency that limits MHBE edits for grammar and clarity
- Content is in keeping with expectations set out in Deliverable Expectation Documents and decisions captured in JAD sessions and other meetings

### ***2.6.4. Change Control and Change Management.***

Changes in scope may happen due to a variety of unforeseen factors. For the purposes of this program, change is defined as a request originating from the State that affects scope, schedule, and/or cost to the State.

#### **2.6.4.1. Federal and State Changes.**

It is known that changes to Federal requirements continue to occur. Rules and regulations are expected to change through the lifecycle of the project. Changes in requirements due to evolution of Federal and State regulations do not constitute a change in scope for this program. Potential changes to regulations, such as those pending legislation or judicial review, that pose the potential to disrupt the delivery schedule shall be documented by the Vendor in the Risk Log and managed accordingly.

The overall delivery dates, operational dates and quality criteria required by CMS and the ACA are not expected to change. If, however, CMS changes do affect delivery or operational dates, the Vendor shall adapt and respond to those changes. As part of Change Control Management, the Vendor shall document formal change control process to be reviewed and approved by MHBE as part of the Program Management Plan.

#### **2.6.4.2. Changes in Scope, Schedule, and Cost.**

The Vendor shall manage this effort such that they are able to inform MHBE of any potential scope changes as soon as is reasonably possible to discuss, analyze, and document the impact of the change. The Vendor shall work in concert with the State to understand the impacts to approved scope, evaluate options, and determine direction and next steps. The Vendor shall not make scope decisions without the State's approval.

Utilizing the State's Change Management process, the Vendor shall present to the State an overall assessment of the change in scope, to include specific impacts to both schedule and costs. MHBE will work with the Vendor to confirm/reconfirm Project scope for subsequent tasks, phases, and/or milestones and provide formal approval of the change.

#### **2.6.5. Issue and Risk Management.**

MHBE will look to reduce the impact of issues and risks that arise during the program life cycle by requiring the Vendor to implement robust Issue and Risk Management processes that will lessen the time it takes to detect, resolve, and mitigate them.

##### **2.6.5.1. Issue Management Plan.**

The Vendor shall develop and implement an Issue Management Plan that outlines the procedures for documenting, escalating and resolving issues. This shall include:

- Procedures and tools for documenting and tracking project and program issues
- Guidelines for determining severity of issues in terms of impact to the project or program
- Procedures for review of issue log and escalating issues where required
- Procedures for resolving issues including responsible parties for decision making based on severity and impact

The Issue Management Plan deliverable is due 15 business days following receipt of Notice to Proceed. An outline may be submitted to the State prior to the final deliverable due date, for approval on approach.

The State will review issues with the Vendor weekly.

##### **2.6.5.2. Risk Management Plan.**

The Vendor shall create and utilize a Risk Management Plan that outlines the procedures for documenting, escalating and mitigating risk. This shall include:

- Procedures and tools for documenting project and program risks
- Guidelines for evaluation of risks in terms of probability and impact
- Procedures for review of risk log and escalating risks where required
- Procedures and guidelines for mitigating risks

The Risk Management Plan deliverable is due 15 business days following receipt of Notice to Proceed. An outline may be submitted to the State prior to the final deliverable due date, for approval on approach.

The State will review risks with the Vendor weekly.

### ***2.6.6. Status Reports and Status Meetings.***

The Vendor is expected to submit a Monthly Status Report and participate in weekly status meetings.

#### **2.6.6.1. Monthly Status Report.**

The Vendor shall produce a monthly status report. The format, content, and due date of the Monthly Status Report deliverable will be determined jointly with MHBE following receipt of Notice to Proceed and project kick-off. Submission of monthly status reports deliverables must begin within 15 business days of receipt of NTP.

#### **2.6.6.2. Weekly Status Meeting.**

The Vendor shall hold a weekly status meeting, during which the State stakeholders, as identified by MHBE, will be briefed on weekly program progress. The format, content, and day of the weekly meeting will be determined jointly with MHBE following receipt of Notice to Proceed and project kick-off. The Vendor shall document key decisions and action items arising from the weekly status meeting. The first weekly status meeting must be held within 10 business days of receipt of NTP.

### ***2.6.7. System Development Life Cycle Management.***

The Vendor's shall present their SDLC Methodology which shall include the Vendor's approach to the following stages in the SDLC:

- Requirements Analysis
- System Design
- Development
- Testing
- Training
- Implementation

The Vendor shall deliver the solution using a phased development approach that supports the State's requirement to review and test iterations of development of logical functional groups of system components, before proceeding to the System Test phase. Therefore, the plan for the Development Phase shall account for durations of State testing and feedback, and System updates by the Vendor, prior to the completion of the Development phase for each iteration.

The Vendor shall use a State-approved tool for source code management as well as the project repository for all usage scenarios, use cases, requirements, designs, test scenarios, test cases, test results and other project artifacts.

The Vendor shall ensure that System Design documentation is kept up to date through all phases, including updates which occur due to revisions or repairs.

The SDLC Management Plan deliverable is due 15 business days following receipt of Notice to Proceed.

#### **2.6.7.1. Requirements – Gap Analysis and Requirements Management.**

The Vendor shall conduct a Gap Analysis Phase during which they will review and identify the gaps between the transfer system from Connecticut and what needs to change in order to implement the system for the November 2014 Open Enrollment period. The end result of the Gap Analysis will be a set of requirements to be used for retrofitting the transfer solution.

At the conclusion of the detailed requirements phase, the State expects the Vendor to work with the State team to prioritize requirements and as necessary, identify possible phases for implementation of the overall requirements. Core requirements that are deemed essential for compliance with the ACA must be implemented in the initial phase. The Vendor's Program Work Plan shall be updated to identify all possible phases of implementation. Once approved, the updated Requirements Analysis schedule shall be included in the Integrated Program Work Plan.

The Vendor shall outline as part of the SDLC Management Plan, its approach to requirements analysis, definition, refinement, approval and traceability. The Vendor shall maintain a Requirements Traceability Matrix (RTM)

throughout the lifecycle of the program. The RTM shall document where each requirement is accounted for within the design documents, code modules, test conditions, test scenarios and test scripts as appropriate. The Vendor shall have the capability to demonstrate through the RTM that all documented and approved requirements have been traced through the development lifecycle. The Vendor shall use the State-approved tool described in Section 2.6.6 for documenting requirements traceability.

#### **2.6.7.2. System Design.**

The Vendor shall develop and submit its plan for the System Design Phase for approval by MHBE prior to the commencement of that phase of work. The plan shall be based upon the findings of the Gap Analysis. Once approved, the updated System Design schedule shall be included in the Integrated Program Work Plan.

The Vendor shall develop design documents for high level systems architecture, technical components, functional components, database and interface components including logical and physical data models and interface controls documents. A formal review of the high-level architectural design is conducted by CMS prior to detailed design of the automated system/application to achieve confidence that the design satisfies the system requirements, is in conformance with the enterprise architecture and prescribed design standards, to raise and resolve any critical technical and/or project-related issues, and to identify and mitigate project, technical, security, and/or business risks affecting continued detailed design and subsequent lifecycle activities. During the Design Phase, the Vendor shall begin the initial strategy for testing and training. In addition, the work planned for future phases is redefined, if necessary, based on information acquired during the System Design Phase.

The Vendor shall be required to maintain current and up to date documentation of all System components through the life of the project. The Vendor shall work with the State to agree on the templates and the appropriate level of detail for documenting design for each system component. This includes, but is not limited to, user interface, process flow, business logic, business rules, input validation, workflow, forms, data model, data architecture, web services, infrastructure, system architecture, IVR process flows, contact center scripts, and batch processing.

#### **2.6.7.3. Development Execution and Management.**

The Vendor shall submit a plan for the Development Phase for review, comment and approval by MHBE prior to the commencement of that phase of work. The plan shall include the phased approach for system component development including shared components and base classes. The plan shall also include the Vendor's approach for code base management, development standards, individual developer machine configuration requirements, build machine configuration requirements, unit and integration testing procedures and reporting requirements including code coverage targets, and code check-out and check-in procedures.

During the Development Phase, the Vendor's system development team takes the detailed logical information documented in the System Design Phase and transforms it into machine-executable form, and ensures that all of the individual components of the automated system/application function correctly and interface properly with other components within the system/application. As necessary and appropriate, system hardware, networking and telecommunications equipment, and COTS or externally hosted software is acquired and configured by the Vendor. New custom-software programs are developed, database(s) are built, and software components (COTS and custom-developed software and databases) are integrated by the Vendor. Test data and test case specifications are finalized by the Vendor. Unit and integration testing is performed by the Vendor's developers with test results appropriately documented. Data conversion and training plans are finalized and user procedures are baseline, while operations, office and maintenance procedures are also initially developed. The Vendor shall develop the solution using an iterative development approach that supports the State's requirement to review and test iterations of development of logical functional groups of system components, before proceeding to the System Test phase. Therefore, the plan for the development phase shall account for durations of State testing and feedback, and Vendor System updates, for each logical functional group of system components.

The Vendor shall ensure that all System Design documentation is kept up to date with updates to the design that occur due to technical implementation details, change requests, or any other factors that cause a deviation from the original design.

#### **2.6.7.4. Test Planning and Testing.**

The Vendor shall submit its Test Plan for all levels of testing for approval by MHBE prior to the completion of the Requirements Definition Phase of work. The Test Plan shall outline how the Vendor will test the System throughout the project lifecycle. Once approved, the updated Test Plan schedule shall be included in the Integrated Program Work Plan. The Vendor shall provide tools to track testing that will be utilized in all phases of testing to record scenarios, indicate status, track test results, manage relationships (i.e. to requirements or to specific application components), and produce reports. The Vendor shall also establish testing environments, along with the necessary data and application modules, to support unit, integration, iterative functional, system, user acceptance, performance and operational readiness testing activities. At the minimum, the Vendor shall address the following:

- Approach to testing including testing philosophy, test data, test standards, verification approach, approach to non-testable requirements, test phases, test techniques and methods
- Testing processes including test preparations, orientation and kickoff, test execution, test monitoring, test status meetings and reporting, closure evaluation criteria
- Approach to creating the test environments needed

The Vendor shall use a State-approved tool for source code management as well as the project repository for all usage scenarios, use cases, requirements, designs, test scenarios, test cases, test results and other project artifacts.

The primary purpose of the Testing Phase is to determine whether the automated system/application software or other IT solution developed or acquired is ready for implementation. During the Test Phase, formally controlled and focused testing is performed to detect errors and bugs in the IT solution that need to be resolved. There are a number of specific validation tests that are performed during the Test Phase. Some testing activities will begin during the Development Phase, such as Unit Testing and Integration Testing.

The Test Plan shall include the Vendor's testing approach, including test scenarios, test conditions and test scripts for the following required testing. In addition to the tests outlined in Section 2.6.6.4, tests may be conducted to validate documentation, training, contingency plans, disaster recovery, operational readiness and installation. The approach to these additional tests will be evaluated in conjunction with MHBE to assess their necessity and approved prior to execution.

##### **2.6.7.4.1. Unit Testing**

Unit testing is done to assess and correct the functionality of individual or small groups of code or modules. Unit testing ensures the various objects and components that make up the System are individually tested, and that errors are detected and corrected prior to exiting the development environment.

The Vendor shall conduct and document its Unit Testing, including targets for unit test coverage and pass rates, in its Test Plan. Unit Testing may not be required for solution modules where MHBE does not have access to the codebase, e.g. for COTS or hosted solution modules.

##### **2.6.7.4.2. Integration Testing**

Integration Testing is performed by developers after integrating completed components or modules into the overall system codebase. This testing is done in order to ensure that the completed components or modules work at a high level and that existing components and shared components have not been broken by the new module.

The Vendor shall conduct and document its Integration Testing, including the recommended environment for Integration Testing, in its Test Plan. Integration testing guidelines shall be included in development standards documentation.

##### **2.6.7.4.3. Iterative Functional Testing**

Iterative functional testing ensures that the components developed for each logical iteration of the system meet all functional and technical requirements as defined and approved in the Test Plan and the Requirements

Definition Phase.

The Vendor shall conduct and document its Iterative Functional Testing, including the recommended environment for Iterative Functional Testing, in its Test Plan. Iterative Functional Testing guidelines shall be included in development standards documentation.

#### **2.6.7.4.4. System Testing**

System Testing assesses the functionality and interoperability of the System and the multiple other systems and subsystems it interacts with, such as databases, hardware, software, rules engine, document management system, and the identity management system, workflow, interfaces and web services, and their integration with infrastructure into an overall integrated system. This testing includes a test installation and configuration of the System, with a subsequent functional regression test to confirm the installation's success.

The Vendor shall conduct and document its System Testing, including the recommended environment for System Testing, in its Test Plan. System Testing guidelines shall be included in development standards documentation.

#### **2.6.7.4.5. Interface Testing**

Interface Testing is conducted to ensure the completeness of interface development and the readiness of developed interfaces for integration in the wider system.

The Vendor shall submit its approach for Interface Testing for approval by MHBE in its Test Plan. This approach shall include strategy for early detection of interface errors such as non-conformation to interface contracts by either consumers or providers of services, and incorrect data being returned through an interface. The Interface Testing approach shall include an approach for testing of all interfaces error codes such as the network errors and unavailable source systems. The Interface Testing approach shall also outline the Vendor's strategy for reporting, managing and mitigating defects for interfaces both within the control of MHBE (such as CARES) and outside the control of MHBE (such as the Federal Hub).

The Vendor shall conduct and document its Interface Testing, including the recommended environment for Interface Testing, in its Test Plan. Interface Testing guidelines shall be included in development standards documentation.

#### **2.6.7.4.6. Regression Testing**

Regression testing shall be completed after integration of each major component into the wider system to ensure that components which have already been tested are still working. Regression testing shall also be completed after every migration of new build versions to each test environment. Regression test scenarios shall be a subset of System Test scenarios, agreed upon with MHBE, chosen to ensure maximum functional and technical coverage of regression testing.

The Vendor shall include its approach to Regression Testing in its Test Plan. The approach shall include considerations that minimize the cycle time and resources required to complete regression testing. The Vendor shall consider in its Regression Test Approach, the use of automated tools for automated regression testing. If the Vendor's Regression Test Approach includes a tool, the Vendor must obtain approval from the State to use it prior to purchase or implementation for use.

The Vendor shall conduct and document its Regression Testing, including the recommended environment for Regression Testing, in its Test Plan. Regression Testing guidelines shall be included in development standards documentation.

#### **2.6.7.4.7. Security Testing**

Security Testing is required by the Vendor on functional, technical and infrastructure components to ensure the system meets all system security requirements. Security Testing scenarios and strategy shall be approved by the MHBE Information Security Office (MHBE ISO) prior to execution and all Security Testing results shall be approved by MHBE and MHBE ISO.

Additionally, the Vendor is required to conduct its own security risk assessment prior to the State engaging a Third Party Vendor to conduct any and all Independent Security Reviews. The Vendor shall provide a report of the results of its security risk assessment, including all tools used, such as code scanning and application scanning

tools, and an action plan of remediation for vulnerabilities identified.

The Vendor shall conduct and document its Security Testing, including the recommended environment for Security Testing, in its Test Plan. Security Testing guidelines shall be included in development standards documentation.

The Vendor shall also participate in Third-Party security testing at the State's direction.

#### **2.6.7.4.8. Performance Testing**

Performance Testing is conducted in order to ensure that the System meets the minimum performance service levels required by MHBE, in terms of query and page response times under simulated load for a number of users for multiple concurrent functions in a given period of time.

Performance testing scenarios shall take into account expected peak period volumes for application processing such as closing of open enrollment periods. The performance test shall be conducted on a production ready version of the system, i.e. a version that has passed all requirements validation, system and security testing. The performance test environment shall mirror the final production system specifications in order to accurately predict how the System will behave in the production environment.

The Vendor shall conduct and document its Performance Testing, including the recommended environment for Performance Testing, in its Test Plan. Performance Testing guidelines shall be included in development standards documentation.

#### **2.6.7.4.9. Usability Testing**

Usability testing is conducted to ensure the System's user interface design takes into account usability considerations for its target user groups. Usability testing will include testing of the user interface for internal and external users, power users, users with limited computer skills, prospective new users, users who will require training in the system to complete their daily work, and users with disabilities.

Feedback from Usability Testing shall be evaluated in terms of priority in collaboration with the State, and a plan shall be developed to include the required updates into the final build.

The Vendor shall be responsible for developing a strategy for Usability Testing that includes usability evaluation from usability experts, testing with State workers, samples of the public, Navigators, and special interest groups such as advocacy groups, Community Based Organizations and representation from organizations for peoples with disabilities.

The usability testing shall account for testing for compliance with sections 504 and 508 of the American with Disabilities Act. The Vendor shall providing a report to MHBE containing the results of the automated scanning tool used for 504 and 508 compliance testing, including an action plan to remediate any deficiencies found.

The Vendor shall conduct and document its Usability Testing, including the recommended environment for Usability Testing, in its Test Plan. Usability Testing guidelines shall be included in development standards documentation.

#### **2.6.7.4.10. Language Testing**

The Vendor shall include in its Test Plan a strategy for testing the system in both English and Spanish.

The Vendor shall conduct and document its Language Testing, including the recommended environment for Language Testing, in its Test Plan. Language Testing guidelines shall be included in development standards documentation.

#### **2.6.7.4.11. Browser Testing**

Browser testing is conducted to ensure that the System operates in the most likely configurations of browser versions and operating systems. Browser testing shall be performed using a subset of System test scripts that ensures maximum system coverage. The Vendor shall be responsible for providing the machine configurations to perform all necessary browser testing.

The Vendor shall conduct and document its Browser Testing, including the recommended environment for Browser Testing, in its Test Plan. Browser Testing guidelines shall be included in development standards documentation.

#### **2.6.7.4.12. Visual Access Testing**

The Vendor shall conduct and document its Visual Access Testing, including the recommended environment for Visual Access Testing, in its Test Plan. The Vendor will utilize two (2) tools to conduct the testing, such as WAVE or Jaws. Visual Access Testing guidelines shall be included in development standards documentation.

#### **2.6.7.4.13. Data Migration and Conversion Testing**

While the State does not expect to include data migration or conversion activities in the scope of work to support the implementation of the November 2014 Open Enrollment period, the Vendor shall be capable of performing these types of testing, using automated tools where possible to test that all data migrated in the migration test environment complies with the standards set out in the Data Migration and Conversion Plan.

#### **2.6.7.4.14. User Acceptance Testing**

User Acceptance Testing (UAT) is conducted to ensure that the developed system meets all expectations of the State and its eventual users.

The Vendor shall be responsible for providing data and environments and test scripts to the State for the successful execution of UAT. UAT test scripts shall cover all facets of the System. The State shall be responsible for identifying the participants involved in UAT and for the overall execution of UAT scripts and ad-hoc UAT testing. The Vendor shall support the UAT effort with test managers and developers to review findings and revise code as needed to meet the approved requirements.

The Vendor shall review all UAT results with the State and a mutual strategy for mitigation shall be agreed for each defect based on severity, priority and impact.

The Vendor shall support the entry and management of UAT defects as well as coordinate and document meetings, discussions, and decisions regarding defects.

#### **2.6.7.4.15. Additional Testing Responsibilities**

The Vendor will be responsible for developing all test conditions, scenarios and scripts. These are subject to approval by MHBE prior to execution of any test phase. The Vendor is also responsible for preparation of all test data, including identifying data required for each test phase that may require collaboration from State resources to acquire that data.

The Vendor shall ensure that all System Design documentation is kept up to date with updates to the design which occurs due to changes or fixes that arise in the Testing Phases.

#### **2.6.8. Data Migration and Conversion.**

The State does not foresee the execution of a data migration strategy or data conversion effort as part of the effort to support the transfer of the Connecticut HBX to Maryland. However, the Vendor shall be capable of supporting discussions around Data Migration, Data Conversion, and testing of each.

#### **2.6.9. Security Plan.**

The Vendor shall submit its Security Plan for all levels of security in HBX for approval by MHBE prior to the completion of the System Design Phase of work.

The Security Plan deliverable is due 25 business days following receipt of Notice to Proceed.

#### **2.6.10. Project Environment Requirements.**

##### **2.6.10.1. Technical Environments.**

To support the system transfer effort, the Vendor shall provide the following technical environments:

- A. Development\*
- B. System Testing
- C. Integrated Testing (with External Interface Partners)
- D. User Acceptance Testing (with External Interface Partners)



- E. Training
- F. Staging (Mirror of Production, with Production Data and Security)
- G. Production\*\*

\*The Vendor shall provide for multiple development environments to support parallel development and multiple concurrent release work.

\*\*Production will be defined and priced under Task Order 2 (See Section 3.0).

### **2.6.10.2. Environment Maintenance and Upkeep.**

The Vendor shall provide ongoing maintenance, upkeep, and support for the technical environments. While the development environments will require less scheduled maintenance than testing, training, staging, and Production, it is expected that the Vendors will assure that the environments consistently reflect the appropriate versions of software, key configurations, and other considerations. The environments shall be maintained such that integrations with release migrations between environments do not cause system issues resulting in project delays or loss of critical work time. Databases will be sized, indexed, and maintained throughout each environment. Each environment shall be configured such that test data can be backed up, cleaned up, and restored quickly to facilitate the project team's efforts to test, debug, rebuild, and continue testing. Ultimately, the Vendor shall maintain each environment to assure that each phase of the SDLC can be completed with reasonable assurances that the work products continue to evolve to completeness.

Following the receipt of Notice to Proceed, the Vendor and the State will meet to discuss requirements for project environments. This meeting will occur within 10 days of receipt of Notice to Proceed and is considered a contractual deliverable.

### **2.6.11. Support for End-User Training.**

The State views the successful roll-out of a robust end-user training program as one of the critical elements in the overall success of the HBX. To support and implement training, the Vendor is expected to obtain and evaluate the feasibility to reuse the State of Connecticut's training materials.

End-user training activities will be performed by MHBE. The Vendor shall work cooperatively with the State and any other vendors contracted by the State to support all training efforts. The Vendor shall take direction from the MHBE PMO on training-related activities and assignments.

For the requirements in Section 2.6.11, the State assumes the Vendor will adapt and augment training deliverables based upon the State of Connecticut's training materials and training model.

#### **2.6.11.1. Master Training Plan.**

The Vendor shall submit a Master Training Plan to MHBE for review, comment and approval, prior to the completion of the System Design Phase. The Vendor is responsible for maintaining updates to the Master Training Plan based on actual components developed during the System Design and Development Phases. The Master Training Plan will be used to govern and manage the overall activities, effort, and scope of training for Exchange workers. The Master Training Plan will offer a comprehensive, detailed picture of the plan to implement the training effort, and define the approach used to develop and deliver the System training solution to the State.

At the direction of the MHBE PMO, the Vendor shall create, maintain, and update, as required, the approved training plan. The Vendor's training plan shall address:

1. An overview of the training methodology for roles based HBX training
2. Training objectives for each user role
3. Roles and Responsibilities for the Vendor and State training staff
4. Assumptions
5. Training courses and associated course objectives, competency level and skill set assessment tools, including the format and content of all training material to be developed by the Vendor

6. Timelines for the development, review, and completion of all training materials
7. Review and approval process for all training materials by the State
8. An overview of the training presentation style and how concepts of Adult Learning will be integrated into the delivery
9. Performance expectations for both instructors and students and approach to performance measurement and reporting
10. Staffing plan that includes a 10:1 student to instructor ratio for all Instructor Led Courses
11. The number of role based training sessions necessary to train all identified users
12. The number of users to be trained by the type of training
13. The length of each training course
14. Procedures for implementing and maintaining a training database/environment that is a mirror image of the production environment including reports and notices
15. Milestones for training
16. Training schedule and procedures for scheduling end users to their appropriate courses
17. Plan for working cooperatively with and coordinating all training efforts with other vendors, as needed and directed by the State.
18. Procedures for updating course material due to system updates or feedback from the initial rounds of training
19. Method for certifying that end users have successfully completed their job based curriculum
20. Criteria for identifying where remedial training is necessary and plan for providing that additional support
21. How the Learning Management System (LMS) will be used to manage the training schedule, instructor/course evaluations, and student competency measurements
22. Methodology for providing technical support for training
23. Methodology for capturing and answering frequently asked questions (FAQs)
24. Documentation of all training sites and types of training equipment needed and how the equipment will be deployed and used in the training process
25. Plan for testing and certifying that each training site is technically and physically ready to meet the requirements to conduct HBX System user training
26. Approach to assure that the training location and delivery is ADA compliant
27. An Instructor Checklist which identifies items necessary for the instructor in preparation for classroom training:
  1. Necessary technical support information
  2. IDs and Passwords
  3. Training Materials
  4. On Site Preparation
  5. Post-class administrative activities

In developing the Master Training Plan, the Vendor will identify any assumptions they have made in proposing the training development and delivery plan.

#### **2.6.11.2. End-User Training Prerequisites.**

In concert with the MHBE PMO, the Vendor shall identify potential prerequisites to any training session. This will also involve developing a plan for how trainees can fulfill the prerequisites.

### **2.6.11.3. End-User Training Content Development.**

Appropriate training materials shall be developed that can be used in a hands-on, interactive manner, using data in the training environment that reflects real world conditions. To assure that the materials focus on specific job functions and reflect real world conditions, the Vendor shall work in cooperation with the MHBE PMO.

The Vendor shall incorporate and integrate the training materials developed by any Third Party Vendor into the review and completion process as identified in the Master Training Plan. The Vendor shall provide sufficient copies of all training material for all staff. The Vendor shall provide all electronic source documents and graphics used in the development and presentation of all aspects of training to the State.

### **2.6.11.4. Course Material Version Control and Updates.**

In concert with the MHBE PMO, the Vendor shall identify a procedure for updating course material due to system updates, feedback from the initial rounds of training delivery, etc. The Vendor will use several inputs to support the identification and delivery of timely, consistent and appropriate material updates. Updated material will be presented in the classroom within 5 business days of the update being identified and approved. This procedure will also document a version control plan.

### **2.6.11.5. End-User Training Delivery Support.**

The Vendor shall support MHBE in delivering the end-user training. Vendor support consists of monitoring and managing the Training environment, running appropriate clean-up and restore jobs to preserve the training data and use cases, and providing technical support for the training classrooms, as needed.

To assure that training delivery is role based and reflects the new business process, the Vendor shall work with the MHBE PMO to establish a plan to integrate change request and management decisions into the training delivery process. The Vendor shall also work with the MHBE PMO to identify a process for capturing unanswered business process questions that arise in the training classroom, and feeding these back through the deficiency management and change control processes.

### **2.6.11.6. Learning Management System (LMS).**

The Vendor shall submit with its Master Training Plan an outline of its proposed LMS. MHBE shall approve the LMS tool selection prior to procurement of the required licenses. The Vendor shall work with the MHBE PMO to develop an approach to populate and maintain the LMS tool including training schedule, course listing, students, instructors, and training sites. The LMS will also allow students to take learning assessments and complete instructor/course evaluations. The LMS will be able to automatically generate email reminders to staff about upcoming trainings.

### **2.6.11.7. Classroom Training Support – Regional Training.**

The Vendor shall work with the MHBE PMO to develop a plan to support Train-the-Trainer and regional training across the state. The State expects that a daily classroom training days to be weekdays and to consist of a maximum of 6.0 hours of training, a 1 hour lunch, and two 15 minute breaks. The Vendor shall be prepared to support the Training environments and connectivity on training days. The Vendor's support plan will be reviewed and approved by MHBE.

## ***2.6.12. State Acceptance and Implementation.***

### **2.6.12.1. Draft Implementation Plan.**

90 days prior to the agreed-upon Implementation Date, the Vendor shall submit its Preliminary Plan for the Implementation Phase for approval by MHBE. The Preliminary Implementation Plan shall outline the high level tasks that will be accounted for in the Implementation Phase, as well as the Vendor's overall strategy for the production launch of the HBX, and any potential risks associated with that strategy.

### **2.6.12.2. Final Implementation Plan.**

Following the review and incorporation of MHBE's comments and changes, and within 45 days of the agreed-

upon Implementation Date, the Vendor shall submit its Final Plan for the Implementation Phase for approval by MHBE. The Final Implementation Plan shall outline the detailed tasks required for a successful launch of the HBX, including, but not limited to infrastructure configuration readiness, operation readiness, “Go/No Go” checklist, training readiness, production launch risk mitigation strategies, roll back procedures and post launch monitoring and support procedures.

### **2.6.12.3. State System Acceptance.**

Following the completion of the User Acceptance Testing phase, the Vendor and MHBE shall collaboratively gather and analyze testing outcomes. The Vendor shall formally present its findings and recommendations to MHBE with recommendations, options, risks, and pros/cons of system acceptance. MHBE will review and provide one of three types of system acceptance:

- Acceptance, no comments
- Conditional Acceptance, with additional requirements
- Acceptance Withheld

The Vendor shall work with the State to develop and obtain approvals on action plans arising from a Conditional Acceptance or in the event of a Withheld Acceptance.

### **2.6.13. Configuration Management.**

The Vendor shall present their Configuration Management Approach to State for review, comment and approval prior to the commencement of any development activity. The Configuration Management Approach must demonstrate how the Vendor will manage the multiple configurations of the System including:

- Code base management
- Environment management
- Build management
- Deployment management
- Network management
- Disaster recovery site management and cutover procedures

### **2.6.14. Staffing.**

The Vendor shall create and maintain a Staffing Plan. The Staffing Plan shall describe the Vendor’s staffing approach and team organizational structure for the prime Vendor, and all subcontracted Vendors, to complete all phases of work, functions, requirements, roles, and duties associated with this Project. All E&E Vendor staff in key roles shall have recent (in the last three years) experience with implementing and/or supporting Eligibility Systems (Medicaid, SNAP, TANF, etc.). All PMB Vendor staff in key roles shall have recent (in the last three years) experience with implementing and/or supporting Health Care industry automated systems, preferably a major health plan or claims processing environment.

The Vendor shall explain in its Staffing Plan how each individual meets the requirements of the proposed role. All proposed Vendor staffing for Key Roles is subject to approval by State. State reserves the right to reject the Vendor’s proposed individuals for Key Roles. In such a case the Vendor shall be required to provide an alternative staffing proposal for that Key Role. State reserves the right to interview individuals proposed to Key Roles, if desired, prior to approval of any staffing.

State and its stakeholders will be interacting with the Vendor’s staff on an ongoing basis, and as such the Vendor shall submit in its plan an organizational chart for Staffing that describes how the Vendor’s team will interact with State staff and key State stakeholders.

In addition, the Vendor may need to interact with other Vendors associated with the delivery of the HBX. The Vendor shall cooperate with all resources involved in the HBX project to ensure the successful integration of all components of the solution and the overall delivery of an operationally efficient and effective HBX.

The first draft of the Staffing Plan deliverable is due 25 business days following receipt of Notice to Proceed with updates submitted to MHBE monthly thereafter. The Staffing Plan shall reflect and/or match the Organizational

Chart included in the Framework (Section 2.6.1.)

### **2.6.14.1. Key Personnel**

The Project Staffing Plan shall include resumes for each of the Vendor's proposed staffing choices for the Key Roles described below:

1. Project Manager: Primary point of contact with HBX's Project Manager for activities related to contract administration, project management, scheduling, correspondence with HBX staff, and deliverable reviews. Must have a Bachelor's Degree, a current Project Management Professional (PMP) Certification, and at least ten (10) years of management experience.
2. Technical Manager: Primary point of contact with HBX Technical Staff. Will serve as the Technical SME over the Vendor's team. Must have a Bachelor's Degree and at least seven (7) years of similar experience.
3. Functional Manager: Responsible for the overall functional design of all system components, functional procedures, program applications, and functional documentation. Also responsible for liaising with business SMEs on any functional decisions. Must have similar experience in E&E Solution Development of similar size and complexity as HBX. Must have a Bachelor's Degree and at least seven (7) years of similar experience.
4. System Architect: Responsible for the design, maintenance, procedures, and architecture related to data, program applications, and systems documentation. Must have similar experience in E&E Solution Development of similar size and complexity as HBX. Must have a Bachelor's Degree and at least seven (7) years of similar experience.
5. Implementation Manager: Primary point of contact with State staff regarding system implementation. Must have a Bachelor's Degree and at least five (5) years of similar experience.
6. Service Center Manager: Responsible for internal staff User Support and Contact Center Help Desk operation. Must have a Bachelor's Degree and at least five (5) years of similar experience.
7. Operations and Maintenance Manager: Responsible for system operations and ongoing maintenance after implementation. Must have a Bachelor's Degree and at least five (5) years of similar experience.
8. Data Manager: Responsible for overall data architecture of the System including Master Data Management planning and implementation, data exchange planning and implementation and data migration. Must have a Bachelor's Degree and at least five (5) years of similar experience.
9. Librarian: Responsible for maintaining the document repository for deliverables/artifacts, tracking the status of deliverables/artifacts in review and deliverables/artifacts approved, tracking the completion of action items and comments on deliverables/artifacts, maintaining communication records of signoffs or deliverable/artifact rejections. Must have at least three (3) years' experience in documentation and data base management. Experience in health and human services and/or government sector is desirable.

### **2.6.14.2. Lead Roles**

Lead roles shall be filled by Vendor staff with appropriate levels of experience that meet or exceed the descriptions below:

1. System Test Lead: Responsible for overall effort involved in system testing, including test strategy, planning, execution and status reporting. Must have a Bachelor's Degree and at least seven (7) years of similar experience.
2. Training Lead: Responsible for overall effort involved in end-user training, including training strategy, schedule, planning, training materials, delivery and status reporting. Must have a Bachelor's Degree and at least seven (7) years of similar experience.

3. Organizational Change Lead: Responsible for the creation, implementation and coordination of the Organizational Change Management strategy and plan for the HBX. Must have a Bachelor's Degree and at least five (5) years of similar experience.
4. Infrastructure Lead: Responsible for the assessment, planning, procurement, installation, configuration, maintenance and monitoring of all infrastructure components required for the HBX. Responsible for the HBXs server, network and data center operations for all environments including test, production, and disaster recovery sites. Must have a Bachelor's Degree and at least five (5) years of similar experience.
5. Security Lead: Responsible for the assessment, planning and implementation of all security standards, practices and components required for the HBX. Responsible for adherence to State security standards, communications with State ISO, compliance with HIPAA requirements, and IRS Federal Tax Information. Must have a Bachelor's Degree, CISM, GIAC or CISSP certification and at least five (5) years of similar experience.
6. Application Development Lead: Responsible for the planning, coordinating, and supervising of all activities related to system design and development. Must have a Bachelor's Degree and at least seven (7) years of similar experience.
7. Technical and Business Writing Quality Assurance Lead: Responsible for providing standards to be adhered to for technical and business documents and all deliverables. Responsible for enforcing and tracking compliance with quality standards and procedures including peer review processes, quality checks and remediation actions. Must have five (5) years' experience in technical and business writing.

#### ***2.6.14.3. Work Location and Hours, MHBE Equipment***

All individuals assigned to Key Roles shall be located on the project site in Maryland for the duration of the project. All individuals assigned to Lead Roles shall be located on the project site in Maryland, at a minimum for the duration of the activities they lead, but ideally for the duration of the project. Any deviation from this requirement is subject to review with State prior to approval of an alternate staffing location for individuals in Key Roles for any period of time. Individuals may be required to travel between locations or attend offsite meetings, or participate in inspections. MHBE will not reimburse for travel, and all rates must be fully burdened.

The Vendor's onsite working hours shall be consistent with those of MHBE and the implementation Contractor. It is expected that when needed, the Vendor shall be required to work evenings, nights, weekends, holidays, and other non-standard work hours as dictated by the work.

The MHBE site is a secure facility. MHBE shall provide workspace for the Vendor's core team, as needed and approved by the Contract Monitor. Unless otherwise determined by the Contract Monitor, the Vendor shall provide its own computer or laptop. Contractor equipment must meet or exceed MHBE's standards for virus protection and security and must be compatible with the software and environment. Review and certification of laptops or other equipment that accesses the network may be required by MHBE prior to connecting the equipment to the network.

If the Vendor should require workspace at the MHBE's worksite MHBE, at its discretion, shall make available the following:

- A. Photo identification badges (the Contractor shall be responsible for the cost incurred in obtaining State-issued photo identification badges)
- B. Cubicles
- C. Office furniture (desk and chair).
- D. Telephone and fax equipment (local use only).

- E. Shared networked printer(s).
- F. Security privileges to connect to appropriate applications and system resources.
- G. Use of meeting rooms based on availability with whiteboards and supplies for conducting facilitated sessions
- H. Parking is available on the surface lot.

#### ***2.6.14.4. Vendor Requirements***

The Vendor shall provide office space for the State. For the purposes of this Contract, the Vendor should interpret the "State" to consist of office facilities for no more than 40 State personnel concurrently. The Vendor shall furnish office furniture, access to printers and networks, and conference room use as needed. The Vendor shall issue security badges according to its security protocols. The Vendor shall be responsible for providing any required hardware, software and network capabilities for access to State networks and tools, in order to perform those operations. The Vendor shall also be responsible for acquiring the required permissions and certifications from State ISO in order to perform such remote functions.

#### ***2.6.14.5. Vendor Hardware and Equipment.***

The Vendor shall supply its own workstations, PCs and other development equipment. This equipment must be refreshed every three (3) years. Vendor shall provide and maintain all software licenses to support Vendor's equipment. All licenses and support agreements will be kept current. Software versions shall be no more than one version behind the current and compatible with the MHBE environment.

#### ***2.6.14.6. Staffing Changes***

The State recognizes that changes in the Vendor's level of Staffing may happen due to a variety of unforeseen factors. However, the Vendor will be held responsible for ensuring the appropriate experienced staffing level is maintained throughout the project to ensure the objectives of this Project are met on time.

To mitigate risks associated with changes in Vendor staffing, State shall require the Vendor to include a contingency plan with the Project Staffing Plan. The contingency plan shall address staffing changes to include: replacement of key personnel or other proposed staff, staff augmentation plans in the event of an inability to meet performance standards, and a method for deploying and bringing new team members up to date with the project.

#### ***2.6.15. Cost Allocation.***

The Vendor shall be required to be familiar with and provide deliverables related to the State's financial reporting requirements as it relates to Federal cost allocation in accordance with Office of Management and Budget (OMB) Circular A-87 and the selectee Vendor shall utilize the CAM Toolkit for these deliverables where appropriate. The high degree of interaction and seamlessness required between Exchanges, Medicaid, and CHIP necessitates highly integrated systems and therefore, execution of a federally approved cost allocation methodology. There will be a federally approved methodology required for both system build/implementation as well as a federally approved methodology post go-live for on-going operations.

The initial cost allocation methodology has been established between the Exchange, Medicaid, and CHIP. However, the Vendor shall be required to provide a new amended methodology for the future inclusion of other state programs such as SNAP and TANF, etc. based on the final requirements, gap analysis and roadmap.

For post-implementation on-going operations, the Vendor will be required to provide a recommended cost allocation methodology, the recommended mechanisms/data to capture and the reports/mechanisms to support the approved methodology of cost allocation for both IT systems and program administration in accordance with OMB Circular A-87 between the Exchanges, Medicaid, CHIP, and other included programs.

As an example: based on Federal guidance, the services or functions necessary to adjudicate eligibility for premium tax credits and reduced cost sharing, Medicaid, or CHIP based on MAGI must be cost allocated among those programs. At a minimum, states must allocate the costs for the following services or functions among

Exchange, Medicaid, and CHIP etc.:

- Health Care Coverage Portal – the online service that allows direct input and interface from other systems for population of the single, streamlined application required under section 1413 of ACA.
- Business Rules Management and Operations System – the system that contains and applies the rules associated with eligibility for individuals covered by MAGI. This includes functionality and processing logic to register, defines, classify, and manage the rules; verify consistency of rules definitions; define the relationship between different rules; and relate some rules to IT applications that are affected or need to enforce these rules for such purposes as adjudicating eligibility based on MAGI or supporting workflow for the resolution of discrepancies.
- Interfaces to federal data services hub.
- Interfaces to other verification sources.
- Account creation and case notes – the electronic case file containing all the information supplied by the applicant, electronic returns/verifications, eligibility determinations and enrollment information, notices, and notes from the discrepancy resolution process, ready to transfer for ownership to the appropriate program.
- Notices – communications to applicants concerning results of determination, including if applicable, notice of referral to Medicaid for applicants who may be eligible on a basis other than MAGI.
- Customer Service technology support – to assist applicants in completing online or print applications and support call centers and related applications. Interfaces to community assisters or other outreach organizations. States should also allocate costs for the necessary enabling services to support these functions, such as identity management and security and privacy controls.

#### ***2.6.16. Organizational Change Management and Business Transformation.***

The Vendor shall submit its Organizational Change Management and Business Transformation Plan for approval by State prior to the commencement of the System Design phase. The Organizational Change Management and Business Transformation Plan shall outline the Change Management activities that the Vendor and other stakeholders will conduct at each phase of the Exchange Lifecycle including post-implementation. The Change Management and Business Transformation Plan shall identify all organizations, groups, bodies, and individuals from the private sector that will be required to participate in Change Management activities. The plan will also outline the schedule, expectations, design documents and participants involved in Business Process Design as part of change management and business transformation activities.

The Organizational Change Management and Business Transformation Plan shall be considered a living document, after its initial approval by State. The level of organizational change will be high due to the scale of the program and the number of participating organizations, including new organization and governance structures that will be set up specifically to run the Exchange. The State seeks an approach to Organizational Change Management that allows smooth transition for State staff to new job expectations and roles, and for minimum service disruption to existing Medicaid recipients. Therefore the plan will need to evolve with the changing needs of the program as new organizational challenges develop. Updates to the Change Management and Business Transformation Plan shall be submitted for review and approval to State prior to their implementation.

#### ***2.6.17. Capacity Plan.***

The Vendor shall develop a capacity plan needed for the project based on the approved project schedule and the tasks outlined in the project work plan. The capacity plan shall be reviewed and assessed periodically to manage the application load. State/OATS shall provide all available information needed to accurately develop the capacity plan including network capacity and throughput, network performance, office hardware and software information, office bandwidth, and performance and statistics. Collection of any information not readily available for inclusion in a comprehensive capacity plan shall be the responsibility of the Vendor.



### ***2.6.18. Vendor Responsibilities.***

The Vendor shall be responsible for the following activities. Failure to fulfill these responsibilities may result in financial penalties and/ or the assessment of consequential or liquidated damages to the Vendor.

#### **2.6.18.1. Vendor Contract Management Responsibilities.**

The Vendor shall demonstrate throughout their response and/or address each of these requirements directly. The State expects the Vendor to manage its contract and meet the following requirements:

1. The Vendor shall work as if time is of the essence and provide timely, accurate, and transparent communications to the State regarding progress, obstacles, and needs.
2. The Vendor shall deliver all Deliverables to the MHBE Project Manager in the format approved by the MHBE Project Manager and by the due date shown in the most recently approved work plan.
3. If the Vendor is unable to submit the Deliverable on the due date, the Vendor must request the Deliverable due date extension in writing with the justification to the PMO.
4. All reports shall be received by the MHBE Project Manager on the dates specified in the production schedule as agreed by the MHBE Project Manager.
5. The Vendor shall be responsible for completing Change Control requests and Statements of Work in accordance with the time frames and budgets approved by the MHBE Project Manager. Change Control requests and SOWs will be considered complete when they are implemented in accordance with the approved schedule and completed within the approved cost estimate.
6. The Vendor shall be responsible for on-time delivery of application releases per the due dates shown in the most recently approved work plan.
7. During test phases, the Vendor, in conjunction with the MHBE Project Manager, shall track and report on remigration and rebuild to satisfy defects, bugs, and issues identified and resolved. If rework hours appear to jeopardize on-time release delivery, the Vendor shall present a written mitigation plan to MHBE's Project Manager, including the provision of additional resources at no additional cost to MHBE.
8. The Vendor, in conjunction with the MHBE Project Manager shall track and report on defects introduced in the production environment. Defects shall be corrected under the Warranty provisions (Section 1.12, Warranties).
9. Develop, maintain and provide access to records required by State, state and federal auditors.
10. Provide reports necessary to show compliance with all performance standards, including documentation requirements (artifacts) for CMS Certification audits, SDLC Reviews, CCIIO Exchange Establishment Reviews, and any other contract requirements. Assist with the provision of responses and required activities as a result of the above reviews.
11. Provide to State status reports regarding the Vendor's activities at agreed upon intervals. The Vendor shall provide reports with content and format agreed upon with State. The intent of the reports is to provide State and the Vendor with reliable up to date information to manage the progress of the HBX project.
12. Prepare and submit to State requests for system changes and notices of system problems related to the Vendor's operational responsibilities.
13. Prepare and submit for State approval suggestions for changes in operational procedures and implement the changes upon approval by State.
14. Maintain operational procedure manuals and update the manuals when changes are made.
15. Ensure that effective and efficient communication protocols and lines of communication are established and maintained both internally and with State staff. No action shall be taken which has the appearance of or effect of reducing open communication and association between State and the Vendor's staff. Communication protocols shall be outlined in the Exchange Program Management Plan.

16. Meet regularly with key stakeholders in the HBX to review account performance and resolve issues between the Vendor and State.
17. Provide to State progress reports on the system Vendor's activity as requested by State, and outlined in the status report requirements in the Program Management Plan.
18. Meet all federal and state privacy, confidentiality and security requirements within the Vendor's operation, including HIPAA compliance and compliance with IRS 6103(l)(21). Work with State to implement quality improvement procedures that are based on proactive improvements rather than reactive responses. The Vendor(s) shall understand the nature of and participate in quality improvement procedures that may occur in response to critical situations and will assist in the planning and implementation of quality improvement procedures based on proactive improvement.
19. Monitor the quality and accuracy of the Vendor's own work.
20. Submit quarterly reports electronically or in hard copy of the overall project quality assurance activities including quality assurance reviews, findings and corrective actions (if any) to State.
21. Perform continuous analysis based on lessons learned to improve performance of Vendor functions and report the results of the analysis to State.
22. Provide State with a description of any changes to agreed processes for approval prior to implementation of the change.
23. For any performance falling below a State-specified level, explain the problems and identify the corrective action to improve the rating. The Vendor shall be subject to financial penalties and/ or the assessment of consequential or liquidated damages in accordance with the negotiated contract, for any failures that result in a delay in schedule or a loss of funding for failure to meet federal approval or schedule requirements.
24. Provide a written response, including descriptions of resolution to the issues or answers to the questions, to State via e-mail within two business days of receipt of e-mail on routine issues or questions.
25. Provide a written response, including descriptions of resolution to the issues or answers to the questions, to State via e-mail within one business day of receipt of e-mail on emergency requests as defined by the State.
26. Maintain State-approved documentation of the methodology used to measure and report completion of all requirements and attainment of all performance standards.

#### **2.6.18.2. Vendor Project Management Responsibilities.**

The Vendor shall demonstrate throughout their response and/or address each of these requirements directly. The State expects the Vendor to manage its contract and meet the following requirements. The Vendor shall:

1. Prepare an outline and obtain approval from State for the contents and format of each deliverable document before beginning work on the deliverable.
2. Be responsible for taking minutes at meetings and providing written meeting minutes within two business days of the occurrence of that meeting. The Vendor shall provide sufficiently qualified business and technical staff to document decisions, actions and questions coming out of each meeting.
3. Provide all written documents and deliverables with a level of quality and completeness that indicates that they have been reviewed and proof read by the Vendor prior to being delivered to the State. Indicators of quality and completeness include:
  - a. A standard of business and technical writing that limits ambiguity and rework by State;
  - b. A level of English proficiency that limits State edits for grammar and clarity; and

- c. Content is in keeping with expectations set out in Deliverable Expectation Documents and decisions captured in JAD sessions and other meetings.
- 4. Provide an implementation project manager and staff to conduct design sessions.
- 5. Obtain written approval from the State on all final deliverables.
- 6. Revise deliverables, if required, using State review findings to meet content and format requirements.
- 7. Develop, obtain approval for, and maintain project work plan.
- 8. Identify issues related to the project using the State-approved process for documenting issues, processes for assigning issues to resources, and resolving issues.
- 9. Use State-approved change control / management processes for implementing changes in scope.
- 10. Report progress against the work plan through weekly written status reports, at weekly review meetings with the State Project Manager, and through a weekly update of the work plan / task schedule.
- 11. Deliver written status reports and updated work plans / schedules one business day before the status meeting.
- 12. Identify scope of work issues. Specify the basis upon which an issue is out of scope, including appropriate RFP references.
- 13. Maintain all project documentation within the State SharePoint domain, with access provided to State staff. Access restrictions may apply to some documentation such as folders containing financial or contract information. All documentation restrictions shall be approved by the State Project Manager prior to loading of documents on the SharePoint.

### **2.6.18.3. Vendor Certification and Review Responsibilities.**

The Vendor shall be held responsible for the E&E and PMB solutions passing all external reviews. Reviews include:

- 1. Federal reviews
- 2. CMS ELC Reviews
- 3. CCIIO Establishment Reviews
- 4. Independent Security Reviews
- 5. Independent Architecture Review

The Vendor shall be held responsible for:

- 1. The E&E and PMB solutions passing State Security Accreditation process;
- 2. Meeting agreed upon timelines for Deliverables/Milestones; and
- 3. Final CMS Approval to operate a State Exchange.

### **2.6.19. State Responsibilities.**

The State is the principal contact with the system services Vendor(s) for the HBX solutions. State shall be responsible for the following activities:

#### **2.6.19.1. State Contract Management Responsibilities.**

The State shall be responsible for the following activities:

- 1. Monitor the contract performance and compliance with contract terms and conditions.
- 2. Serve as a liaison between the Vendor(s) and other State users.
- 3. Initiate or approve system change orders and operational procedures changes.
- 4. Assess and invoke damages and/or penalties for the Vendor(s) noncompliance.
- 5. Monitor the development and implementation of enhancements and modifications to the system.
- 6. Review and approve completion of the Vendor's documentation as required by State.

7. Develop, with participation from the Vendor(s), compliance with performance standards, negotiate reporting requirements and measure compliance.
8. Review and approve Vendor's invoices and supporting documentation for payment of services.
9. Coordinate state and federal reviews and assessments.
10. Consult with the Vendor(s) on quality improvement measures and determination of areas to be reviewed.
11. Monitor the Vendor(s) performance of all Vendor(s) responsibilities.
12. Review and approve proposed corrective actions taken by the Vendor(s).
13. Monitor corrective actions taken by the Vendor(s).
14. Communicate and monitor facility concerns.

### **2.6.19.2. State Project Management Responsibilities.**

The State shall be responsible for the following activities:

1. Perform overall monitoring and management overview of the project to ensure timely and satisfactory completion of all tasks and activities.
2. Review and approve the proposed outline format and content of all deliverable documents.
3. Review the Vendor deliverables, determine the approval status of the deliverable, and provide written comments to the Vendor in accordance with the Quality Assurance Review Process agreed upon with the Vendor.
4. Participate in weekly and monthly status meetings with the Vendor to review progress against the work plan.
5. Review weekly status meeting work products with the Vendor to review progress against work plan.
6. Analyze project issues and approve issue resolutions.
7. Monitor the Vendor's progress toward achievement of task milestones and vendor's adherence to the work plan and schedule.
8. Analyze proposed project scope of work changes, and authorize those that are approved.
9. Provide notice to the Vendor of inadequate performance; request and approve plans of correction.
10. Assign project resources to the various phases of the contract.
11. Report on risk and status to the project Steering committee per project management standards.

### **2.6.20. HBX Technical Requirements.**

This section of the RFP outlines the narrative descriptions of each of the technical areas of the HBX, which will form the foundational platform upon which the State's operational vision for the HBX will be built.

#### **2.6.20.1. Access and Presentation Services.**

The Access and Presentation Services layer of the technical solution is the architecture layer that addresses all user interface components and system access channels. The system can be decomposed into two user interaction layers, access channels and presentation.

##### **2.6.20.1.1. Access and Presentation Services – Access Layer (ACC)**

The system's access layer provides a flexible framework for managing and providing internal and external communications over a variety of different channels. The system shall provide the State the ability to deliver communications to customers over email, phone (data and voice), and mail. Customers shall also have the flexibility to access services provided by the HBX over a variety of channels that may include, but are not limited to, web, phone, email, or mail. The system will feature a full service contact center that integrates an Interactive Voice Response (IVR) component. The IVR component will provide intelligent call routing, access to individuals with disabilities and language deficiencies, Computer Telephony Integration (CTI), and support collection of

metrics for reporting and analysis capabilities. The IVR system will provide users the ability to access account information and access help information using automated voice prompts. An integrated online chat feature will allow external users to request help from any page on the public site.

### ***2.6.20.1.2. Access and Presentation Services – Presentation Layer (PRE)***

The presentation layer provides users access to the system using a robust, thin-client, browser based solution delivered over the Internet. The Vendor will be required to adhere to State graphical user interface (GUI) standards and policies. The site shall provide services to persons with disabilities by complying with mandates listed in the Rehabilitation Act of 1973, Section 508 and W3C's Web Content Accessibility Guidelines 2.0. The public facing site shall be accessible to individuals in English and Spanish, and shall provide the ability to extend support to different languages in the future. The solution shall support usable, mobile-friendly browsing and enable access to the site's features and services using "smart" phones, tablets, and PDAs. The solution shall also be extensible to support creation of and consumption by mobile applications ("apps") in the future. Exchange workers accessing the portal from the State Intranet will have access to internal functions not available to external users on the public site.

### **2.6.20.2. Integration Services (INT).**

The Integration Services layer of the HBX technical solution is the architecture layer that enables sharing of application services. The layer enables the system to share data, information, and processes that operate across application boundaries.

The integration layer features a shared services offering provided by the State for Enterprise Service Bus (ESB) capabilities. The ESB will provide services for, but not limited to, SOAP XML web services, HL7, HIPAA, and legacy integrations.

The system shall align to CMS guidance for service oriented architectures (SOA). The Vendor will be required to demonstrate that the system is delivered using collection of distributed systems and services. The technical and business services shall be designed to promote reuse, modularity, and interoperability. A key component of SOA will be a UDDI compliant registry and repository for web services. The repository will provide a centralized directory for service metadata definition, location, search, management, versioning, and governance. This will enable the HBX's supporting services to be leveraged by applications external to the system. The Vendor will be required to build the system based on key web service architecture standards defined in MITA such as SOAP, XML, WSDL, UDDI, and SAML. The Vendor will be required to leverage an information exchange model that is fully compliant with NIEM requirements during data integration and information exchange between the system and external services (federal, state, or external business entities).

In accordance with MITA guidance, the Vendor will provide a business process centric design for the delivery of Exchange and Medicaid functions. The business process driven design shall be extensible to human services programs the HBX may integrate with in the future. The system will feature a robust workflow engine/framework that supports developing, monitoring, administering, configuring, and executing workflows. The workflow engine shall provide the ability to control the processing of human and system activities that may be required to execute in sequence or parallel. The workflow engine will provide the ability to configure rules, roles, and execution paths for any supported workflow managed business process. Support for configuration of notifications, alerts, and business activity monitoring (BAM) operational reports will enable the business to adapt to changing business needs quickly. The system shall provide rich task and activity features for managing and administering cases, service requests, and Exchange worker assignment queues. The task and activity service shall at the minimum support configuration of assignment rules, notification triggers, and alert channels.

### **2.6.20.3. Application and Shared Services (APP).**

The Application Services layer of the technical architecture is the layer that provides reusable commodity features and functions within the system. The Shared Services layer is a sub-set of Application Services that can be exposed externally to other systems, applications, or external entities for reuse.

The architecture will feature a set of services that are classified as Shared Services to promote reuse and leverage based on guidance from CMS. The Vendor will be required to provide seamless integration between the HBX

systems with the existing State Document Management System, so that document search, retrieval, and upload appear to be native operations of the portal to the user. The State Document Management System will:

1. Serve as the primary repository for storage of all HBX documents and content including, but not limited to, outbound communications, inbound documents (applications and verification documents), content (web, help, and communications), and document templates;
2. Provide document management functions to assist with processing of inbound documents that include features like indexing, scanning, and workflow;
3. Provide advanced search capabilities, document versioning, and change notifications;
4. Leverage a shared forms service capability for the development of online forms. The forms solution will provide a user interface for form configuration, management, versioning, and deployment. The system shall provide the ability to use wizards to facilitate data entry for forms, as well as, direct user entry into the online form.

The customer appointment requirements must be delivered using customer scheduling functions and features delivered as a shared service. Some key features offered by the customer scheduling services are the ability to configure alerts and notifications and the ability to synchronize appointments with the State resources, such as Outlook Exchange, CARES, etc.

The solution will feature batch processing architecture components for supporting batch processes in the system, for technical and business functions. The system will feature batch scheduling services to be delivered using the existing scheduling asset approved by State standards. At a high-level, the batch architecture will provide the ability to report, monitor, and execute batch jobs.

The system will feature a full-featured architecture component for developing, managing, maintaining, and versioning business rules external to application code. The business rules engine shall provide the ability to: quickly adapt program rules to policy changes, maintain business rules using business analysts rather than developers, and express rules using language that can be understood by the general public. The solution shall provide open standard interfaces so that it can be leveraged as a shared service.

The system will provide reusable architecture services to facilitate the various types of reports required by the HBX that include, but not limited to, static pre-defined, dynamic parameter based, and ad-hoc reports. The architecture shall provide capabilities and controls aimed at preventing ad-hoc reports from negatively affecting system performance. The reporting solution will consist of executive dashboards and custom reports for operations, business, and federal reporting requirements. The system will provide business intelligence (BI) capabilities for the storage, retrieval, and analysis of historical data. The system will include extract, transform, and load capabilities for loading data to analytic database (data warehouse). The system shall leverage Business Objects XI 3 for BI features in compliance with State IT standards.

The system will feature Application Services that will be utilized by the application to deliver basic commodity features and provide domain business services to the application. The system shall include services for data integration with CARES, other state agencies, and the Federal Data Services Hub for eligibility information verification.

#### **2.6.20.4. Data and Information Management Services (DAT).**

The Data and Information Management Services layer of the HBX technical solution is the architecture layer that provides services for data management. This layer includes the definition of data services, reporting and analytics components, and the master data management features of the system.

The data services layer will provide the application with highly-available, redundant, consistent data. The layer consists of the infrastructure, processes, and management tools required to deliver data services to the application. The system shall provide a normalized extensible relational data model that aligns to the business domain. The Vendor's data architecture strategy shall include a data modeling solution that utilizes any or all of the State approved tools for modeling. The data services layer shall maintain data integrity and consistency throughout the system life. Included in the data layer, the Vendor shall provide the strategy for converting data from CARES in order to minimize the ongoing operational processes and costs of CARES. The conversion

architecture shall include components and business processes required to load the master data management solution. The conversion strategy includes reporting, error handling, and security controls consistent with the application security controls defined in the security services architecture layer.

The system shall include a Master Data Management (MDM) solution for managing master reference data. The Vendor is required to provide the system architecture components and strategy for master data management. The system's data management functions will include the ability to create, update, and delete master data entries, along with advanced features such as validate, search, cluster, match, and merge. The system shall provide a matching engine that includes the ability to configure rules and thresholds for probabilistic matching. The MDM solution shall expose open standards interfaces and APIs to allow the service to be exposed as a shared service.

#### **2.6.20.5. Infrastructure Services (INF).**

The Infrastructure Services layer is the HBX layer that provides the application servers, database platforms, programming libraries and runtime framework for the application. The Infrastructure Services layer shall be designed to enable quality, high-performing, scalable delivery of application services to the end-user.

The Vendor's solution shall provide infrastructure components that conform to published State platform, environment, and operating standards. The Vendor's E&E solution shall be capable of leveraging existing shared infrastructure as made available and required by State in alignment with published State standards. Where it is cost effective and advantageous for the implementation and operation of the E&E solution, the Vendor shall present options for review and approval to State for leveraging such shared infrastructure. The Vendor shall identify the capacity and resource requirements necessary to support the vendor's solution. The Vendor shall also perform a capacity analysis with State to determine the feasibility of extending existing State infrastructure to fulfill the infrastructure needs of the solution.

The Infrastructure Services layer shall provide logical environments for each testing phase. The Vendor's infrastructure strategy shall provide the ability to create, deploy, load and manage multiple environments that operate concurrently. The Vendor's environment strategy shall closely align with the work stream and testing strategy. The infrastructure layer will be required to interoperate with the CARES system for testing of mainframe/legacy integration.

The Vendor's infrastructure design shall include high availability design for all application service hosting infrastructure components. The system shall demonstrate fault tolerance and redundancy to prevent applications from becoming unavailable due to component failures. The system design shall provide clustered application server environments, load balanced applications and application components, redundant application data and storage designs for all data stores (data, logs, messages, message queues, etc.).

#### **2.6.20.6. Security.**

The software deployment and all Vendor services shall abide by security standards as outlined in the State's Enterprise Information Technology Policies.

##### ***2.6.20.6.1. Security Services***

Both the E&E and the PMB solutions shall integrate with and utilize the State security and enterprise user provisioning system, KEUPS, for user registration, authentication, authorization, provisioning and de-provisioning. In addition, users of both solutions shall utilize a common identity for a seamless single sign-on experience.

The Security Services layer of the HBX technical solution is a cross-cutting virtual architecture layer that addresses security concerns in each facet of the application and technical architecture layers. The Vendor will provide a solution for user provisioning, de-provisioning, self-service registration, authentication, single-sign-on, and coarse-grained authorization services for the HBX, and will facilitate the handoff of security tokens for application use within the HBX.

The HBX Security Services will implement security controls in compliance with NIST special publication 800-53 rev. 2 guidance for high baseline controls in accordance with State security standards, and will comply with all relevant state and local security and privacy regulations, as well as federal security and privacy standards

adopted by the U.S. Department of Health and Human Services for Exchanges. The Vendor is required to cooperate with any Third Party Vendor that the State engages to conduct a Certification and Accreditation of the system controls prior to go-live, in accordance with State standards and policies for Certification and Accreditation.

Security services within the HBX shall be exposed as standards-compliant, reusable web services whenever feasible, and shall align to the MITA Maturity Model and MITA security and policy standards.

The HBX shall be built using leading practices for secure application development, and shall protect the privacy and disclosure of sensitive, protected health information and personally identifiable information in accordance with HIPAA Security and Privacy Rules.

#### ***2.6.20.6.2. Security Plan***

The Security plan will detail all the Security procedures and controls that will be employed in the implementation of the HBX to ensure the integrity of the system and compliance with all security appropriate regulations. The Security Plan shall also include a schedule of Security related activities, including the completion of Security requirements such as the Information Security Risk Assessment.

#### ***2.6.20.6.3. HIPAA Compliance***

The HBX is a covered entity bound by HIPAA; as such the Vendor shall ensure that all its actions associated with the HBX are compliant with HIPAA rules for access, authentications, storage and auditing, and transmittal of electronic personal health information (e-PHI). Standards include HIPAA Version 5010 standards for electronic health transactions (effective January 1, 2012). Adherence to the HIPAA standards is required to meet the Federal requirements of the HBX and to interface with HBX Third Parties to include but not limited to Maryland Health Information Exchange (MHBE), HHS, U.S. Department of Homeland Security, IRS, National Association of Insurance Commissioners, and Insurers.

The Vendor shall establish and maintain HIPAA compliant controls and procedures that protect, define, and limit circumstances for access, use, and disclosure of personal health information (PHI). As the HIPAA Security and Privacy rules provide comprehensive coverage for many types of data security and privacy, it should not be assumed that all aspects of HIPAA are relevant to the HBX. As such, an analysis shall be performed by the Vendor during the System Design phase to ensure implementation of appropriate controls for the relevant HIPAA requirements.

The Vendor shall be responsible for ensuring that Business Associate Agreements are in place in order to exchange Personal Identifiable Information (PII) and Personal Health Information (PHI), following State policies, best practices, and HIPAA regulations.

The HBX HIPAA compliance controls and procedures shall be submitted to State for review and approval, prior to the inclusion of any of these controls in the overall System Design.

The Vendor shall not be permitted to use or disclose health information for any reason other than that mandated within this RFP.

#### ***2.6.20.7. Operations and System Management Services (OPR).***

The Operations and System Management Services layer is the HBX architecture layer that provides system and application administration and monitoring capabilities.

The Vendor's solution will be required to monitor and report the health and status of all applications, services, and system components for the solution. The application monitoring solution will provide operations users the ability to view health and availability of application resources, application uptime, and service utilization. The server resources will be monitored against similar server specific metrics. Adherence to MITA requires the collection of operational data in order to establish and meet Service Level Agreements (SLAs) for the system.

The system shall provide the tools, configurations, and processes necessary for administering and maintaining the solution. The State standard backup and recovery tool shall be used by the Vendor for all backup requirements that include, but are not limited to, database, core and custom software, software and database configuration, server, and user preferences. Batch scheduling shall leverage the State standard approved tool for enterprise scheduling. The Vendor's solution shall include all operations materials, manuals, configuration



specifications, and documentation required to support the system and related processes. In the event that the State chooses to utilize existing print facilities, the system shall be required to integrate/interoperate with the State's print facilities for State maintained application components with bulk printing needs. The Vendor shall provide a business continuity disaster recovery plan that includes the solutions approach to providing business continuity, and demonstrate how the solution safely recovers from a disaster event without compromising data integrity, security, or data synchronization between the recovered and connected systems.

#### *2.6.20.8. Development Architecture and Services (DEV).*

The Vendor shall utilize a well-established formal methodology across the Software Development Lifecycle (SDLC). The Vendor shall deliver the solution using a phased development approach that supports the State's requirement to sign off on iterations of the system test results of the solution before proceeding to the next development phase.

The Vendor's testing methodology shall include full testing to include the following test cycles: unit testing, integration testing, performance testing, load testing, stress and capacity testing, data conversion testing, user acceptance testing, and disaster recovery testing.

### ***2.6.21. Eligibility and Enrollment Functional Requirements.***

This section outlines the narrative descriptions of each of the functional areas of the HBX Operating Model that are related to the Eligibility and Enrollment scope of work. The Vendor shall use these narratives and requirements as their baseline when planning their solutions.

#### **2.6.21.1. Administration.**

The HBX will have a complete set of administrative functions to govern the products and programs offered on the HBX. A governing board will set the policy and direction for the Exchange and support oversight on products offered on the HBX, the Navigator Program and Program Integrity. The governing board will develop and implement a certification criteria and process for Navigators to ensure program adherence. In addition, a program integrity plan will be developed to prevent, detect, and minimize fraud, waste, and abuse. Medicaid policies and procedures will continue to be managed under the DMS.

##### *2.6.21.1.1. Administration – Navigator Program Management*

Administrators of the HBX will be responsible for the development and administration of the Navigator Program. This will include the definition of the Navigator role, the development of selection criteria, a recruitment plan, an application and certification process, and a financial model for Navigator compensation.

##### *2.6.21.1.2. Administration – Program Integrity*

The Program Integrity function includes planning and prevention of waste, fraud and abuse. The E&E Solution will seek to prevent fraud and abuse through the use of clear and simplified eligibility and enrollment rules and processes that maximize the use of verified data through Federal and State data sources. The E&E Solution will do this through the establishment of unique IDs for customers, and the matching and synchronization of identities already existing in the system and across other state systems such as CARES.

The Exchange will seek to counteract fraudulent activity through the use of data mining and analytic techniques that match patterns of activity in order to detect potential fraud. The Exchange will have the authority to terminate coverage based on the detection and proof of fraudulent activity. Where appropriate, the Exchange will refer cases to insurers, MIA, and/or DMS. The Exchange will report statistics regarding fraud, including statistics related to dollars lost due to fraud.

#### **2.6.21.2. Users**

The E&E Solution will serve a range of users including: individuals seeking eligible coverage; Navigators seeking to educate and guide customers through the application process; Consumer Assistance Programs (ombudsmen) who are advocates for citizens and ensure those seeking public services are treated fairly; and HBX workers, including contact center representatives, walk-in center employees, and operations management.

### **2.6.21.3. Channels**

The Exchange foresees an environment that utilizes advanced technology and multiple channels to reach an array of users. HBX E&E functions will be offered via an online self-service portal that is accessible through a standard or mobile web browser. The self-service portal will support communications between customers and the HBX, including web chat, email and secure mailbox. A toll free hotline will provide customers with the opportunity to access information via an Interactive Voice Response (IVR) or direct conversation with a worker. Paper publications that provide educational materials regarding the Exchange can be requested to be mailed or printed directly from the self-service portal. The Exchange is also considering using outbound text messaging for notifications or alerts and voicemail functions for outbound call campaigns. Finally, a web service function will provide data transmission between third parties, including QHPs and regulatory bodies like HHS, IRS, and other State Agencies.

Where required, communication channels will be accessible to people with disabilities in accordance with the Americans with Disabilities Act and sections 504 and 508 of the Rehabilitation Act and provide meaningful access for persons with limited English proficiency.

### **2.6.21.4. Core Operations**

Core Operations encompasses all of the user touch points with the HBX and provides workers the tools to manage their daily work of supporting eligibility and enrollment. Customers will interact with the E&E Solution through conducting pre-screening for potential eligibility, scheduling of appointments, the uploading and management of documents, submitting changes to their personal information and receiving notifications. Core Operations also includes setting the administration of the open and special enrollment periods. Finally, operations will confirm quality by offering a complete Quality Assurance Process along with performance management functions and a set of cost avoidance and recovery functions.

#### *2.6.21.4.1. Core Operations – Customer Scheduling*

Customer scheduling provides the ability to set-up and manage a centralized calendar of phone and in-person appointments. Scheduling of customer appointments can be automated or performed manually by customers or workers, who will have the option to schedule an appointment based on location, appointment type, and available timeslots. Alerts will be sent to appropriate staff regarding current, upcoming, or changes to appointments. Appointment notices will be sent to customers via a variety of channels including, secured mailbox, mail or voicemail. Changes to appointments will vary based on user role.

#### *2.6.21.4.2. Core Operations – Workflow*

Workflow provides the ability to manage a case through the lifecycle, from registration to closure. This includes the ability to view, assign, and redistribute work, automatically or manually, between offices, groups, and workers in accordance with business policies, procedures and resource capacity. Workflow will support process efficiency by allowing any worker to review previous actions and complete next steps required to process a request.

#### *2.6.21.4.3. Core Operations – Document Management*

Document Management provides the ability to view, capture and attach scanned images to individual cases. The functionality includes the ability to link scanned and verified images to a customer that may exist in other systems. In an effort to reduce costs, the HBX will leverage the existing Document Management System used by the State to the fullest extent possible.

#### *2.6.21.4.4. Core Operations – Notifications*

The HBX will distribute several types of notifications to HBX customers (i.e., Insurers, Employers, Employees, and Individuals). Notifications may be triggered automatically through workflow events, through scheduled processes (i.e., Annual Enrollment Period Notices), or manual requests. HBX notifications will uphold all the legislative requirements and standards of communication and accessibility to those with disabilities.

#### *2.6.21.4.5. Core Operations – Business Rule Management*

Business Rules Management is the maintenance of all business rules affecting eligibility and enrollment within

the system. The functionality will allow designated workers the ability to maintain or update the system in an easily referenced format. The system will support the frequent changes typical of health insurance program policies including the management of a variety of open and special enrollment period rules and rate variations. The functionality will allow corrections for a prior period of coverage, even after a rule change, as policy rules will be date driven and version controlled.

#### *2.6.21.4.6. Core Operations – Open and Special Enrollments*

The system will define and manage open and special enrollment periods for individual health benefit plan customers. Initial and ongoing annual open enrollment periods will be determined by the Exchange in accordance with legislation. Special enrollment periods, based on non-qualified life events and qualified life events, allow a customer to make or change health benefit plan elections outside of open enrollment periods. The allowable changes to health benefit plan elections may vary by life event and qualifying situation which will be managed and defined by the HBX in accordance with legislation (e.g., 60 days from the triggering event). The HBX will also manage the distribution of notifications related to open and special enrollment periods to all customers (employers, employees, individuals).

Special and open enrollment periods will be managed in the HBX through the definition and maintenance of business rules and policies that will control how and when customers can apply for and enroll in programs and products.

#### *2.6.21.4.7. Core Operations – Customer Maintenance*

Customer maintenance generally describes a change to a customer record due to a life event (e.g., birth, adoption, marriage, death, loss of income etc.) or a demographic modification (e.g., address change, name change, etc.) that occurs after an initial application intake and eligibility determination. All updates to a customer's record that impact eligibility (e.g., income data changes), enrollment, and benefit-related events are included in the maintenance. Maintenance activities may require supporting documentation to verify and process transactions. Maintenance also includes functions to allow the lookup of information on a case such as case status, eligibility periods, and for the capturing of notes by a worker on a case.

Limited maintenance functionality will be provided through the Self Service Portal and via mobile browsers, allowing customers to report changes to their circumstances and to check the status of their application. Since maintenance activities have the potential to affect eligibility, depending on the type of update, the maintenance functionality will be closely integrated with other system functions such as workflow and notifications.

#### *2.6.21.4.8. Core Operations – Quality Assurance*

The System will facilitate a Quality Assurance (QA) process to monitor and evaluate quality. The QA process will randomly sample cases based on selection criteria parameters to detect erroneous eligibility and enrollment processing to improve customer service, training efforts, and assist in policy decision making. The system will allow for flexibility in the types of reviews conducted (e.g., Single State Audit, Federal Re-reviews, Quality Control Reviews, etc.). The QA process will be integrated with workflow and QA forms will be captured and stored within the system.

#### *2.6.21.4.9. Core Operations – Performance Management*

The System will gather, analyze, and output data that can be used by the State and/or partners to make business decisions on the effectiveness and efficiency of business processes, organizational units, or individuals. HBX performance results will be available for research analysis, and evaluation to assist in the identification of best practices to improve performance and decrease costs.

The HBX will produce reports on workload size, number of applications, type of case, location, assignee, application processing time, quality assurance results, etc., which will give decision makers the ability to monitor, review and reconfigure workload and workflow processes to achieve optimal operational efficiency.

### **2.6.21.5. Eligibility.**

Eligibility is the process of systematically determining a customer's qualifications for enrollment in Medicaid or other Insurance Affordability Programs or QHP, through the HBX. The eligibility process begins with a customer, or a qualified entity, completing the application process, including pre-screening and registration. Once an

application is complete the system will validate, verify and use the customer provided data and predefined business rules to determine eligibility for specific programs and products (Medicaid, QHP). Eligibility also includes processing individual exemptions, eligibility determination appeals, and maintenance.

#### *2.6.21.5.1. Eligibility – Pre-Application Screening*

Prior to applying for a health benefit plan, customers will have the ability to provide minimal and anonymous information, via the Self Service Portal, to determine potential eligibility for the products and programs (Medicaid, Individual, Group insurance, State/Federal programs) available through the portal. The results of the pre-application screening will provide information on programs and products that they are deemed potentially eligible for and information on the application process. If a customer chooses to apply for health benefit plan coverage, the system will pre-populate the online application with data collected during the pre-application screening, where applicable.

#### *2.6.21.5.2. Eligibility – Registration*

Registration is the recording of demographic information about a customer to track requests for coverage in the HBX. The information recorded during the registration process is used to create case numbers and unique customer identification records (client index numbers). During the registration process, the HBX performs search and match functions to identify customers that are already known to the system, to prevent duplicate records and to ensure each customer can be uniquely identified in the system. Registration will occur through all channels that a request comes through (e.g. online, in person, paper, telephonically).

#### *2.6.21.5.3. Eligibility – Application Intake*

Application Intake is the process of capturing customer data in a single application for health benefits. Applications will be accepted online, via telephone, on paper and in person. The process will capture all data elements required to calculate eligibility and apply for each product within the HBX, as well as communicate with the customer on an ongoing basis. This data includes but is not limited to income and personal demographic information. The application intake process will also capture an applicant's agreement to the terms and conditions of the application for insurance coverage, as well as a signature as proof of agreement to those terms. Signatures can be physical, electronic or telephonic, depending on the channel through which the customer applies.

#### *2.6.21.5.4. Eligibility – Eligibility Determination*

Eligibility determination is the process of applying a complex set of eligibility rules to specific data associated with a customer, to identify coverage under one or more established programs provided within the HBX. The determination process for eligibility is evaluated continuously throughout the customer's association with the HBX; at initial application, during scheduled periodic reviews and whenever specific program eligibility requirements change or new ones are added per federal and state guidelines.

#### *2.6.21.5.5. Eligibility – Individual Exemptions*

The ACA states that the HBX shall have functionality to track, "receive and adjudicate requests" for individual exemption from the individual responsibility requirements (e.g., exempt based on religious sect or division). Processing individual exemptions will allow customers to document their reasons for exemption and to provide supporting documentation for exemption verification. The HBX will issue certificates of exemption to eligible individuals. Individuals denied exemption eligibility will be able to submit an appeal. Final exemption decisions will be communicated to HHS for transmission to the IRS.

#### *2.6.21.5.6. Eligibility – Appeals*

The ACA provides the right for an individual, employer or qualified entity to request and submit an appeal related to eligibility determination decisions made by the HBX. The appeal process includes a reconsideration request, hearing, and may result in further legal action. An individual, employer or qualified entity can begin the appeal process through a reconsideration request, but this step may be bypassed to a formal hearing. Appeals may be submitted through multiple channels including online, in-person, or over the phone, but regardless of channel a written form shall be completed. Once a customer has filed an appeal of any kind, the HBX will send a notification related to the appeal process and the opportunity to review his or her file and present evidence as needed.

#### *2.6.21.5.8. Eligibility – Asset Verification Program*

The Vendor shall incorporate an Asset Verification Program (AVP). This functionality is necessary for determining resource eligibility for Non-MAGI Medicaid applicants, in accordance with 42 USC 1396w. The AVP shall provide for automated inquiry against the individuals' financial information as part of the online application process, as well as manual inquiry by Exchange workers.

#### **2.6.21.6. Enrollment.**

Enrollment is the process of facilitating plan selection for a customer who has been determined eligible and elects to enroll into a QHP and/or Medicaid. During the enrollment process, the HBX will determine individual responsibility based on subsidy calculation. The customer may utilize Shop and Compare Tools to assist in the QHP election process. These tools include the display of health plan quality ratings, plan benefit summaries, premiums, and cost sharing amounts. More robust comparison tools will provide customers with a more personalized comparison based on their historical experience (i.e., average number of office visits, primary care physician, average number or cost of prescriptions, etc.). Medicaid customers subject to managed care may select an MCO and other customers will select a QHP. The HBX will transmit all required enrollment data to MMIS or the specific QHP on behalf of the customer. The enrollment process also includes the ability to maintain a customer record, renew health plan elections, and disenrollment, or termination of coverage.

##### *2.6.21.6.1. Enrollment – Subsidy Calculations*

The HBX will include functionality to calculate premium tax credits, cost sharing, and individual responsibility. This information will be displayed to customers and integrated with Shop and Compare Tools available on the Self Service Portal. Calculator outputs will be based on information entered by the participant and verified during eligibility determination. A customer can opt out of a subsidy at various points throughout the eligibility and enrollment process, including at the calculation stage.

The premium assistance available to HBX participants will be based on household income, family size, applicable percentage (taxpayer's required share of premiums based on household income), benchmark plan premium (second tier silver plan), and the premium for the plan in which the customer enrolls. The premium tax credits may be received in an advanced form (via IRS payments directly to the QHP) or claimed via income tax filings. Reconciliation processes will be the joint responsibility of the IRS and the customer.

##### *2.6.21.6.2. Enrollment – MCO*

In addition to allowing individuals to choose a MCO, the system shall integrate with MCAPS for an MCO auto-assignment process for individuals eligible for Medicaid/CHIP, who are required to participate in Managed Care. This assignment process, together with associated notices and reports is currently performed by MCAPS in a batch process. The E&E solution shall provide a synchronized, cohesive version of these processes.

MCO selection, auto-assignment, notice production, and reporting functions currently addressed by MCAPS shall be incorporated into the E&E solution.

##### *2.6.21.6.3. Enrollment – PE and BCCTP*

The Vendor shall incorporate a process to enroll individuals in Medicaid, who are determined eligible through web-based applications for the Presumptive Eligibility (PE) and Breast and Cervical Cancer Treatment Program (BCCTP). Eligibility processing for these programs will be incorporated into the E&E solution.

#### **2.6.21.7. Programs and Products.**

The purpose of the HBX is to support enrollment into qualified programs and products, based on eligibility determinations. Individuals may be eligible for Medicaid. If an individual does not qualify for, or declines, Medicaid, he or she will have the opportunity to select an Individual Product that has been certified by the Exchange. Individual and group products will be differentiated by affordability, type of coverage, and premium costs associated with cost-sharing requirements (platinum, gold, silver and bronze).

In the future, the State will support other State and Federal Programs like TANF and SNAP through the HBX. Furthermore, the State will consider offering Other Health Products. The solution should be easily extensible to accommodate additional programs and products the State wishes to integrate into the HBX in the future.

### **2.6.21.8. Support Services.**

The HBX offers a variety of services aimed at all users, including: customers, Agents, Navigators, consumer assistance program employees, community based organizations, and QHPs. Supported by a contact center, the HBX will aid users with general inquiries, eligibility and enrollment questions, and technical issues that may arise from utilizing the Self Service Portal. Support will also extend to the community and commercial partners in an effort to educate customers and provide support when interacting with the HBX, to ensure a high quality customer experience. Support services take the HBX from a website that determines eligibility and facilitates enrollment, to a fully integrated health benefits plan shopping experience where both consumers and partners have the materials, information and personal support needed to make the best health benefit decisions for the families of Maryland.

#### *2.6.21.8.1. Support Services – Customer Service*

The HBX will offer comprehensive customer service to support assistance requests from customers, employers, Navigators, and Agents. The State will utilize customer service channels to include: live in-person support in local offices, a contact center, mail correspondence, secure fax and email correspondence, and online web chat assistance. Customer service functions will assist users with a variety of assistance requests to include application assistance, password resets, and log-on issues. HBX customer service functions will coordinate with QHPs to minimize duplication of effort with customer service functions that already exist with insurers.

HBE customer service functionality will be primarily administered via a contact center accessible by a toll-free phone line. Initiating customer service requests through the contact center will allow the HBX to offer consistent high quality support to everyone, regardless of their assistance request. In addition, the contact center will allow each service support encounter to be documented and saved for future reference. Unresolved service requests will be routed to specialized workers for follow-up and resolution.

#### *2.6.21.8.2. Support Services – Education & Outreach*

The HBX will provide a robust education and outreach program to inform customers and employers about the HBX and the new health care coverage options available to them. Education and outreach activities will target customers and employers most likely to benefit from the HBX, communicate the value proposition of purchasing health care on the HBX and educate them on purchasing health insurance coverage through the HBX including: an overview of ACA and the federal mandate, information on QHPs, certification standards, and the availability of subsidies such as Premium Tax Credits and Cost Sharing Reductions.

The State will leverage lessons learned from prior education and outreach campaigns, like the successful KCHIP Program, and will deploy an education and outreach strategy that uses a blended approach. While Navigators will be key players in both learning and distributing Exchange education and outreach, multiple entities including QHP's, healthcare providers, agents, and education personnel will be used for outreach and the delivery of HBX messaging. In addition, the education and outreach strategy will utilize multiple access channels for communication including: public media and web campaigns, telephone outreach, and printed materials to target potential HBX customers and employers.

Education and Outreach activities will be performed outside of the scope of this Solicitation. However, the solution is intended to contain functionality to enable reporting on education and outreach activities, tracking of the effectiveness of the efforts, creation and retrieval of available surveys, and retention of outcome data. The Vendor shall cooperate with the State, and any Third Party Vendor the State engages for the delivery of Education and Outreach campaigns, to provide information related to the Exchange IT systems, business processes or operational data.

#### *2.6.21.8.3. Support Services – Technical Support*

The HBX will offer technical support to all customers, Navigators, Agents, QHPs, third parties, and internal workers using knowledgeable and technically trained support personnel. Technical support personnel will assist HBX customers and workers with technical issue resolution including, hardware and internet setting configurations, password or log-on difficulty, user security problems, screen/navigation errors, interface issues, and any additional issues of a technical nature that may arise while accessing the HBX.

HBE technical support will offer a variety of resources and options to quickly resolve customer and worker

technical issues. Technical support resources will include live technical support available through a toll-free phone line, online web chat, technical FAQs posted on the Self Service Portal, online user manuals with system help documentation, and emergency support to assist with critical system issues. Technical support for non-critical technical issues will be available during reasonable hours of operation to be determined by the State, while emergency technical support will be available to assist with system critical issue resolution.

#### **2.6.21.9. Self Service Portal (SSP).**

The Self Service Portal (Portal) will serve as a one stop shop for residents of the State of Maryland seeking health benefit coverage. The Portal will operate under a "no wrong door" policy allowing all Kentuckians to view comparative information on health benefit options, submit a single application for health benefit eligibility determination (Medicaid, Unsubsidized, Subsidized, and SHOP), enroll in the coverage option, obtain information on the administration and operations of the HBX, and access contact information for Navigators, Agents and other consumer assistance services. Other state and federal programs, such as TANF and SNAP will be accessible via the Self Service Portal in the future.

The Portal will not only serve as an entry point for applicants seeking coverage, but will also serve other Qualified Entities including: Employers (small and potentially large businesses) who offer health benefits to their employees; Navigators seeking to guide Kentuckians through the application process; Agents looking to bring individuals into the insurance marketplace; Workers managing eligibility and enrollment across different programs; Contact Center Representatives who resolve HBX customer inquiries; Ombudsmen advocating for citizens and ensuring those seeking public services are treated fairly; and Healthcare Providers looking to introduce their patients to available benefits and services.

The Portal will be deployed as a public facing website allowing meaningful access (Section 508 compliant) and accessible from any device that has internet access, including mobile devices such as PDAs, cell phones, iPads, etc. The Portal will utilize available information from multiple sources (HealthCare.Gov, MMIS, Health Plans, State and Federal Hubs, etc.) to provide customers with real time access to their health benefit information.

#### **2.6.21.10. Business Intelligence, Analytics & Reporting (ANR).**

The HBX will be equipped with a robust reporting platform that supports ad-hoc and canned reports as well as provides for a comprehensive data warehouse/business intelligence solution. In addition, it will provide the functionality to build, create and run operational analytics and reports to support the governance in making policy decisions and management in making business decisions on the effectiveness and efficiency of business processes, organizational units, or individuals. The reporting solution will provide reports to support key system and business functions, giving users the ability to quickly and easily access timely and useful information. The HBX will have the ability to produce a variety of report outputs in a variety of media and formats for maximum flexibility. The HBX will also support analytics and reporting functionality that allows for communication with Federal Agencies, Insurers, Employers, and other State Agencies through the utilization of multiple interfaces.

The HBX should support ad-hoc; parameter based reporting to include at a minimum the following types of reports:

1. Basic Management Reports (sortable by worker, unit, county, region, and state level, as well as by category of assistance):
  - a. Method of application – online, walk-in, navigator assisted, etc.;
  - b. Applications processed immediately as opposed to those pending for agency action, of those held pending, how many were processed within defined timeframes, outside of allowable timeframes, or are still pending disposition;
  - c. Applications denied and active cases discontinued - by reason;
  - d. Caseload activity – number of actions taken on active cases by workers & by recipients;
  - e. Redeterminations coming due, processed administratively, worker processed, (timely and untimely), and past due; and
  - f. Active caseload.
2. Data matching:

- a. Number of successful matches to outside data sources (Federal, State, etc.), unsuccessful inquiries, total inquiries.
  - b. Reconciliation of enrollment information with QHPs
- 3. Quality Control Reports:
  - a. Sample collection.
- 4. Mandatory federal Reports:
  - a. Motor Voter;
  - c. IEVS timeliness; and
  - d. Required reports for HHS (CMS, CCIIO) and the IRS.
- 5. State internal Security:
  - a. Unauthorized attempts.
- 6. Application processing timeframes analysis.

Please note the above stated reports are not a definite and complete list of reports needed. They are provided as examples. The Vendor will be responsible for developing the final list of desired reports during requirements and design sessions.

The State desires to implement a full-blown business intelligence (BI) solution encompassing multiple human services programs in a subsequent phase following the initial implementation. In addition to ad-hoc reporting capabilities, the business intelligence solution shall provide the following capabilities: establishing data trends and patterns, data drill downs, user configurable dash boards and predictive data modeling.

Example of reports that may be part of this BI solution includes:

- 1. Impact on caseload size of online approvals;
- 2. Cases approved through online matches, later discontinued due to updated (batch) match data;
- 3. Evaluation of workload management strategies;
- 4. Evaluation of quality improvement strategies;
- 5. Assessment and calculation of health care quality and outcomes; and
- 6. Evaluation of Program integrity measures

Please note: The Vendor will be responsible for defining the requirements and design necessary for the BI solution.

#### **2.6.21.11. Third Parties.**

Third Parties include organizations or entities that may interact with the HBX. Interactions will include the transmission of information through an interface for data population, verification or reporting. Third Parties include the following organizations or entities: Maryland Health Information Exchange (MHBE), Health and Human Services (HHS), Office of Personnel Management (OPM), Internal Revenue Service (IRS), Homeland Security, National Association of Insurance Commissioners (NAIC), Department of Insurance (MIA), Cabinet for Health and Family Services (State), and Health Insurers (such as Anthem, Humana, etc.).

#### **2.6.21.12. Interfaces.**

Some key elements of the functional requirements of the HBX, such as the concepts of real-time determinations of eligibility and administrative renewals, hinge on the availability of data from various sources, both internal and external to State and the State, in real time. The Vendor shall identify and design all interfaces required for the fulfillment of the HBX functional requirements. Identification of new interfaces during this phase shall not constitute a change in scope for this project, and the Vendor will work with the State to understand how the new requirements impact the scope of work for the November 2014 Open Enrollment period. The State reserves the right to include or defer the interface requirements.

The State requires that all interfaces are real time where technically feasible. In the case where real time interfaces are not feasible, the Vendor shall submit a design for batch, or near real-time interfaces for approval



by State, and propose SLAs for both parties in that data exchange. It is important to note that while the HBX will establish and own the relationship with any third parties with whom data sharing will occur, the Vendor shall design, develop and test all necessary physical interfaces, web services, file sharing specifications and batch processes for data exchange.

### ***2.6.22. HBX Plan Maintenance and Billing Functional Requirements.***

This section outlines the narrative descriptions of each of the functional areas of the MHBE Operating Model that are related to the MHBE PMB scope of work. The Vendor shall use these narratives and requirements as their baseline when planning their solutions.

#### **2.6.22.1. Exchange Governance.**

The Exchange, which is a “quasi-government agency”, has been established with a clear and accountable governance structure. The established governance structure will ensure the Exchange is acting in accordance with defined and published governing principles. In addition, the Exchange will implement ethical policies and procedures to also include the disclosure of financial interests of Exchange board or governance body members.

The governance structure will support an Exchange that is publicly accountable, and transparent, with technically competent leadership. This leadership will have the capacity and authority to take all actions necessary to meet Federal standards, including making policy decisions and determining whether health plans offered through the HBX are in the interests of qualified individuals and employers.

#### **2.6.22.2. QHP Certification.**

The Exchange has established a certification process that grants a “qualified” status to each health plan that wishes to participate on the HBX. The certification process will include an application, insurer rate and benefit information, transparency in coverage, accreditation, network adequacy, and a process for recertification and decertification. Today, the Maryland Insurance Administration (MIA) conducts a qualification process that includes a review of network adequacy, benefit information and rates for plans conducting business in the State of Maryland.

Health plans will have the opportunity to appeal a certification decision and will follow a certification appeal process that the Exchange will define in the future.

#### **2.6.22.3. Health Plan Quality Ratings.**

The Exchange will assign quality ratings in accordance with quality rating system guidelines which will be issued by HHS and further developed in accordance with state policies. In order to assign quality ratings, the Exchange will develop a criteria for QHP Ratings by reviewing existing national quality rating systems (e.g., NAIC and NCQA) and State standards. In an effort to increase transparency, and to limit perceived preferential treatment and administrative burden, the Exchange will contract with a third party quality rating service to conduct ratings on behalf of the Exchange, based on the Exchange determined criteria.

The Health Plan Quality Rating process and criteria will be displayed on the Self Service Portal to support transparency and accountability. Health Plan Quality Ratings will be included in the criteria for QHP certification.

#### **2.6.22.4. Shop & Compare Tools.**

Shop & Compare Tools are a set of consumer assistance resources available on the Self Service Portal that support customers in the health benefit plan selection process. Individuals will have the ability to view standardized comparative information on each available QHP side-by-side, quality ratings, benefit summaries, and including premium tax credits and cost sharing through the development of a HBX calculator as outlined in the ACA. The Shop and Compare Tools will provide more detail on specific customer health information and will display a further level of comparative information (e.g., average number of doctor visits, total number of prescriptions, how much can you afford per month?). Employers will also have Shop & Compare tools to help in the plan selection process, which will include tools to test affordability for their employees. All Shop & Compare

Tools are optional for the customer and not a formal recommendation for selection by the HBX.

### **2.6.23. *Non-Visual Access.***

The Vendor warrants that the Connecticut HBX transfer solution:

- A. Provides equivalent access for effective use by both visual and non-visual means;
- B. Presents information including prompts used for interactive communication, in formats intended for both visual and non-visual use;
- C. If intended for use in a network, can be integrated into networks for obtaining, retrieving and disseminating information used by individuals who are not blind or visually impaired; and
- D. Is available, whenever possible without modification for compatibility with software and hardware for non-visual access.

The Vendor further warrants that the cost, if any, of modifying the information technology for compatibility with software and hardware used for non-visual access will not increase the cost of the information technology by more than five (5%) percent.

For purposes of this regulation, the phrase “equivalent access” means the ability to receive, use and manipulate information and operate controls necessary to access and use information technology by non-visual means. Examples of equivalent access include keyboard controls used for input and synthesized speech, Braille or other audible or tactile means for output.

### **2.6.24. *Incident Management.***

#### **2.6.24.1. Help Desk Level II Support.**

The Vendor shall have specific strategies for:

- A. Establishing a Level II Help Desk to research and resolve work orders (issues reported by MHBE users, call center, navigators statewide).
- B. Providing liaison activity with the Level II Help Desk both informally (daily contact to discuss work orders as they arise, based upon criticality) and formally (attending relevant meetings, as directed by MHBE).
- C. Responding with the status and findings via phone calls or email. Response time shall be no longer than twenty-four (24) hours after request is received, and the response shall contain a plan of action regarding the request.
- D. Providing timely and accurate findings upon resolving the work order, utilizing email to communicate, track and follow-up on each item.
- E. Promptly documenting reported problems upon receipt, and monitor, control, communicate, and report on each problem until it is resolved and/or completely corrected.
- F. Providing a mechanism for expedited handling of problems that are of high business priority to MHBE.
- G. Proactively correcting all problems within the scope of Vendor responsibility. A problem will not be considered to be corrected until the Vendor receives validation from the MHBE Project Manager that the issue is resolved to MHBE’s satisfaction (confirmation from the individual that first reported the problem or an appropriate designee).
- H. Conducting weekly problem review meetings to assess status, areas of process improvement, and overall ongoing activities related to Help Desk support. Meetings may be conducted with or without MHBE’s optional participation.
- I. Providing application support for the work order software to fix issues and install upgrades to new versions.

#### **2.6.24.2. Help Desk Level II – Problem Management.**

The Vendor shall have specific strategies for:

- A. Problem management process, procedures, controls and communications, including escalation and communication procedures that will be developed in conjunction with MHBE.
- B. Categorizing problem reports, utilizing the following severity assignments:
  - a. **Severity 1 – High.** The issue affects users ability to perform business as usual, or the non-resolution of the problem would lead to the agency being unable to perform business as usual. These problems will be addressed immediately and worked until resolved. The escalation and notification process for Severity 1 items will, at a minimum, require the escalation to MHBE leadership and other parties within 10 minutes of the issue being identified, and updates every 20 minutes thereafter until the issue is resolved. Within 24 hours a preliminary root cause analysis will be produced. Preventive and corrective actions will be identified and tracked to completion and reported on weekly until resolved.
  - b. **Severity 2 – Medium.** The user/small group is unable to perform some function, and a workaround is difficult. However, agency business can go on as usual. Response is within twenty four (4) hours, and the schedule for the fix is negotiated with the applicable the MHBE Project Manager. Communication with the Project Manager is within twenty four (4) hours to let the user know that the support person is working on the problem, as needed during the resolution process, and immediately after the problem is resolved to notify the MHBE Project Manager that the problem has been resolved. All findings regarding the cause of the issue, recommendations to mitigate the issue, and short, intermediate, and long-term strategies for action are communicated by the Vendor to the MHBE Project Manager within 48 hours of resolution. In addition, upon resolution, any necessary actions that may need to occur by MHBE to resume operations-as-usual are clearly conveyed by the Vendor to the MHBE Project Manager.
  - c. **Severity 3 – Low.** A workaround is available and it is difficult or cumbersome. Response is within 48 hours. The Vendor should communicate to the MHBE Project Manager as needed, and within 24 hours after issue resolution to notify the MHBE Project Manager if any actions need to occur by MHBE to resume operations-as-usual.
  - d. **Severity 4 – No Urgency** – The problem is aesthetic in nature or there is a workaround that the user can use indefinitely. Correction of the problem will be defined and completed on a schedule approved by the MHBE project manager.

#### **2.6.24.3. Command Center.**

The Vendor shall have specific strategies for:

- A. Define and implement escalation procedures by which urgent issues shall be communicated from the command center to the MHBE Project Manager.
- B. Propose and implement a solution for to provide monitoring capability for all mission-critical applications, servers, and network performance that includes evenings, weekends, and holidays. Identity the staffing plan to ensure on-call rotation and back-up procedures to provide continuous staff coverage in the command center.
- C. Provide statistical data gathered from the command center in a manner that shall be analyzed and presented to the MHBE Project Manager for review.

- D. Describe how the Vendor shall provide consulting services in the form of providing recommendations for performance improvements, system enhancements to gain overall efficiencies based on trend analysis, and other suggestions reliant upon industry standards and best practices.
- E. Describe the method by which the Vendor shall maintain software currency for all equipment required to maintain the functions of the command center
- F. Develop and implement notification procedures by which the Vendor shall keep the MHBE Project Manager and any affected user population informed of outages and affected locations.
- G. Describe the process by which Vendor staff shall support on-site visits to field locations to ensure appropriate end-to-end transaction monitoring, as needed and other observation activities at the request of the MHBE Project Manager.

## **ATTACHMENT M – PERFORMANCE LOCATION**

### **Location of the Key Personnel**

Key Personnel identified by the Exchange for the scope of work described in Section 2 of this RFP shall be located onsite at the Exchange office in Baltimore, Maryland. This provision may only change with the approval of, or upon request from, the Contractor Monitor.

The locations of all other team members, including contractor and subcontractors, shall be approved by the Exchange

### **Communication Requirements**

The Exchange shall assign a full-time Exchange Contract Monitor to provide overall project direction and to act as liaison between the Offeror and the Exchange. The Exchange Contract Monitor shall be the chief point of contact for all communications with the Exchange. The Offeror shall designate a full-time, on-site Contract Monitor to act as the chief point of contact for all communications with the Offeror.

The Offeror will use a COTS correspondence management system to manage official correspondence between the Offeror and the Exchange. All written and official electronic correspondence shall be logged, archived, and maintained by the Offeror for seven (7) years beyond the term of the contract and any extensions of the contract. The Offeror shall provide the Exchange with electronic access to this correspondence, including access to images of all written correspondence. The Offeror shall establish a courier service between the Exchange office and the Offeror's office. The Exchange Contract Monitor shall also monitor the Offeror's compliance with the approved work schedule and performance of the Offeror's responsibilities for each task. The Exchange Contract Monitor shall monitor the progress of all tasks according to all approved WBSs submitted by the Offeror.