

State of California
Health Benefit Exchange

CalHEERS Project Management and Technical Support
Consulting Services

REQUEST FOR PROPOSALS

February 27, 2012

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1. GENERAL INFORMATION AND BACKGROUND

1.1 PURPOSE OF THIS SOLICITATION

The California Health Benefit Exchange (Exchange) is soliciting responses from qualified firms able to provide Project Management and Technical Support Consulting Services to support State project staff during the Design, Development and Implementation (DDI) of the California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS). The DDI will be performed by a System Integrator (SI) that will be selected based upon vendor responses to a separate solicitation for development and operations services. The firm selected under this solicitation (Consultant) will work under the direction of the Exchange in managing and supporting the successful performance of the SI. The State reserves the right to cancel this procurement at any time.

1.2 SCOPE OF THIS SOLICITATION

This solicitation seeks a firm to provide the services of eighteen (18) full-time equivalent, experienced consultants who will provide project management support services in the areas of:

- Project management support and oversight;
- Business analysis and testing; and
- Technical architecture review.

These consultants will function as integral components of the CalHEERS State project management team, with line reporting relationships within the State project organization, as illustrated in the CalHEERS Project Organization Chart provided as Attachment 4 to this solicitation. The CalHEERS Project Organization Chart (Attachment 4) illustrates the relationships between the principle parties to the CalHEERS Project, the State, the SI, and the IV&V/IPOC entities.

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

Please note that bidders on this solicitation may not also bid on the CalHEERS Development and Operations solicitation. The purpose of this solicitation is for a firm to manage and support the successful performance of the CalHEERS Development and Operations vendor, and as a result there would be a conflict of interest having the same vendor operate in both roles.

1.3 PERIOD OF PERFORMANCE

The period of performance for this contract is twenty-four (24) months.

The Consultant agrees that this contract may be extended for up to an additional twenty-four (24) months at the rates contained on the Cost Bid Form (Attachment 3) for State Fiscal Year 2013-14.

1.4 AVAILABILITY

The Consultant must be available to start work on the Contract Award and Execution date specified in Section 1.9.

1.5 SOLICITATION PROCESS

The solicitation process shall consist of the following steps:

- Release of the RFP;
- Submission of clarification questions by vendors and response to questions by the State;
- Submission of Final Responses;
- Evaluation and selection of a winning response;
- Execution of a contract with the selected vendor.

1.6 CLARIFICATION QUESTIONS

Offerors may submit questions in writing, including via email, to the Procurement Official listed in Section 1.10 of this solicitation by the due date specified in the Key Action Dates table in Section 1.9. Offerors are responsible for confirming response to their questions by the Response to Questions Due date. The State will not accept or respond to inquiries outside of the question and answer timeframes outlined in the Key Action Dates. Offerors shall provide specific information to enable the state to identify and respond to their questions. At its discretion, the State may contact an inquirer to seek clarification of any inquiry received. Offerors that fail to report a known or suspected problem with the RFP, or that fail to seek clarification and/or correction of the RFP, submit responses at their own risk.

1.7 INTENTION TO SUBMIT A RESPONSE

Offerors interested in responding to this solicitation are encouraged to submit a non-binding Letter of Intent to Bid indicating their interest, to ensure receipt of additional information. Only those offerors acknowledging interest in this solicitation by submitting a notification of intention to submit a bid will continue to receive solicitation-related correspondence throughout the procurement process. The offeror's notification letter should identify the contact person for the solicitation process, along with contact information that includes an email address, a telephone number and a fax number. The State will correspond with only one (1) contact person per offeror. It shall be the offeror's responsibility to immediately notify the Procurement Official identified in Section 1.10, in writing, regarding any revision to the contact information. The State shall not be responsible for solicitation correspondence not received by the offeror if the offeror fails to notify the State, in writing, of any changes pertaining to the designated contact person.

1.8 SOLICITATION LIBRARY

Offerors may access the CalHEERS Solicitation Library at: www.hbex.ca.gov.

The Solicitation Library will allow offerors access to documents and information that may be useful for developing the offeror's response. The CalHEERS Solicitation Library will continue to be updated as further documentation related to CalHEERS Solicitations becomes available. Amendments to this Solicitation will not be issued when new information is posted to the Solicitation Library. Vendors are encouraged to continuously monitor the CalHEERS Solicitation Library.

The State makes no warranties with respect to the contents of the Solicitation Library and requirements specified in this Solicitation take precedence over any Solicitation Library contents.

1.9 KEY ACTION DATES

Listed below is a series of key actions related to this solicitation, along with the corresponding dates and times by which each key action must be taken or completed. If the State finds it necessary to change any of these dates, such changes will be accomplished through an addendum to this solicitation. All dates subsequent to the final response submission deadline are approximate and may be adjusted as conditions warrant, without addendum to this solicitation.

ACTION	DATE/TIME
Release of RFP	2/27/2012
Last day to submit (1) questions for clarification of RFP, (2) Letter of Intent to Bid	3/5/2012
State responds to questions	3/7/2012
Submission of final responses (12:00 noon PST)	3/19/2012
Key staff interviews (if held)	3/27-3/30/2012
Vendor selection/Agreement negotiation	4/2-4/5/2012
Consultant starts work	4/6/2012

1.10 PROCUREMENT OFFICIAL

The Procurement Official is the single point of contact for this solicitation. Please submit all correspondence to:

Raquel Steving

Office of Systems Integration on behalf of the Health Benefit Exchange

2525 Natomas Park Drive, Suite 370, Sacramento, CA 95833

Phone: (916) 263-0386

Email: Raquel.steving@osi.ca.gov

1.11 PROTEST PROCESS

A protest may be submitted according to the procedures set forth below. If a vendor has submitted a proposal which it believes to be totally responsive to the requirements of the solicitation process and believes the proposer should have been selected, according to Section 4.3 - Evaluation of Final Proposals, and the proposer believes the Exchange has incorrectly selected another proposer for the award, the proposer may submit a protest of the selection as described below. Protests regarding selection of the "successful proposer" will be heard and resolved by the California Health Benefit Exchange's Executive Director.

All protests must be made in writing, signed by an individual who is authorized to contractually bind the proposer, and contain a statement of the reason(s) for protest, citing the law, rule, regulation or procedures on which the protest is based. The protester must provide facts and evidence to support

their claim. Certified or registered mail must be used unless delivered in person, in which case the protester should obtain a receipt of delivery. The final day to receive a protest is ten calendar days after vendor selection. Protests must be mailed or delivered to:

Street Address:	Mailing Address:
Office of Systems Integration	Office of Systems Integration
Attn: Raquel Steving	Attn: Raquel Steving
2525 Natomas Park Drive, Suite 370	2525 Natomas Park Drive, Suite 370
Sacramento, CA 95833	Sacramento, CA 95833

2. CONSULTANT SCOPE OF WORK

2.1 INTRODUCTION: PROJECT OBJECTIVES

The Consultant shall provide a full-time, on-site team of project management, business analyst, and technical architecture consultants to assist in the management and oversight of the CalHEERS DDI. The Consultant team shall function as an integral component of the State's CalHEERS project management team, supporting the State in executing its responsibilities for managing the CalHEERS DDI.

This statement of work is divided into five sections:

- General consultant responsibilities;
- Oversight and Project Management Support responsibilities;
- Business Analyst Services Tasks and Activities;
- Technical Analyst Services Tasks and Activities; and
- Work Products.

2.2 GENERAL CONSULTANT RESPONSIBILITIES

The Consultant shall provide the services necessary to perform the following tasks in support of the successful completion of the CalHEERS DDI project.

- Develop, subject to CalHEERS management approval, an approach to communications, including status reporting, protocols for interaction with project stakeholders, and reporting of risks, issues and other findings, conclusions and recommendations.
- Develop, within fifteen days of selection of an SI, an initial staff loading plan for major Consultant staff activities, using the detailed plan and schedule submitted by the selected CalHEERS vendor as a baseline. This plan shall serve as the initial CalHEERS Project approved work authorization for the Consultant. This plan shall include identification of tasks to be performed, individuals performing each task, estimated hours, and expected work products to be produced as a result of performing the tasks. This plan shall be subject to regular review and adjustment depending upon, among other factors, the performance of the SI and the emergence of risks and issues during the course of the DDI process.
- Perform independent risk and issue management. The Consultant shall provide an independent executive-level perspective on all aspects of SI performance, CalHEERS DDI project

management and CalHEERS technical architecture, and shall identify and facilitate early resolution of material project issues and risks.

- Critically evaluate the validity of SI claims. The Consultant shall make use of the knowledge and experience of its staff, along with tracking, monitoring, and other information gathering results to inform a critical assessment and evaluation of SI status reporting and readiness claims throughout the System Development Life Cycle (SDLC).
- Maintain effective and timely communication with State project management, in addition to the formal status reporting process. The Consultant shall develop findings, conclusions and recommendations continuously for the duration of the SDLC. Oral and written reports shall be made to State project management, as appropriate to ensure timely and effective management of technical issues and risks. It shall be the responsibility of the Consultant to inform State project management in a timely manner of all matters material to the successful completion of the CalHEERS DDI. Concise discussion memoranda, issue papers, review and assessment reports and other work products shall be prepared on specific topics if and when requested by State project management.
- Participate in DDI activities, including, for example, requirements elicitation, Joint Application Design (JAD) sessions, reviews, workgroup participation walkthroughs, test planning, testing and test results review, to obtain first-hand information on progress, quality of work, effectiveness of processes and other aspects of SI performance.
- Provide monthly comprehensive written status reporting. The primary purpose of the written status report shall be to document in a concise form the findings, conclusions and recommendations arising from all of the tasks and activities performed by the Consultants in accordance with this SOW. Written status reporting shall include, but not necessarily be limited to descriptive coverage of:
 - Relevant portions of the current detailed DDI project schedule with a comparison to the approved baseline schedule and explanation for any variances;
 - Status of the DDI project with an evaluation of the project's adherence to scope, schedule, quality, standards, methods and tools, resources and budget, with an explanation for any variances;
 - Report on "dashboard" indicators;
 - DDI issues and risks identified during the reporting period, including recommendations for resolving each issue and risk, and the potential impact to the project if the issues and risks are not resolved;
 - An assessment of DDI project progress, including probability of meeting/completing project milestones/deliverables for each reporting period and adherence to the project scope, schedule, quality, resources and budget;
 - Consultant staff loading plans for the upcoming three months and recommendations for adjustments or redirection of staff, if applicable;

- Consultant activities performed and Consultant objectives, services, activities and other work products completed during the associated reporting period including copies of, and/or links to all associated work products;
 - Deliverables completed by the SI and other contractors during the reporting period, whether the deliverables were accepted or not and if not, why not; including copies of, and/or links to all associated documentation for each; and
 - DDI milestones/deliverables expected to be met/completed in the next reporting period.
- Brief other staff, contractors and stakeholders, as directed by the State, to support CalHEERS knowledge transfer.

2.3 OVERSIGHT AND PROJECT MANAGEMENT SUPPORT RESPONSIBILITIES

The Consultant shall perform oversight and support CalHEERS State project management by performing the following tasks:

- Track SI DDI performance to plan. Monitor all SI plans and plan components, including schedules, for progress against plan, SI compliance with contractual obligations, plan modifications and effective integration of SI plan components.
- Continuously monitor and assess the application and use of standards, methods and tools by the SI.
- Ensure effective and efficient coordination of project management activities. The Consultants shall work collaboratively with the SI's PMO to ensure that project management activities are conducted in a coordinated manner and that alignment of standards, methods and tools is maintained to the greatest extent possible.
- Continuously monitor, assess and evaluate SI processes, procedures, controls, key deliverables and other artifacts of SI performance for appropriate quality attributes, including as applicable, effectiveness, contract compliance, adherence to applicable standards, traceability, consistency, completeness and accuracy.
- Develop and maintain a management "dashboard" using metrics of SI performance encompassing cost, schedule, quality, risks and issues to highlight items needing management attention or action.
- Review and adjust Consultant staff loading plans as required, subject to State project management approval. Consultant staff loading plans will be subject to change based upon SI DDI performance, emergence of issues and risks, and specific direction from the CalHEERS project. The Consultant shall review and revise its staff loading plans as needed, and at least monthly.
- Review and assess system design changes for reasonableness of resource, schedule and budget estimates. Document deficiencies, and make recommendations. As policy or operational enhancements are proposed to the CalHEERS system, Consultant will review documentation and justifications provided by the SI for reasonableness, document where the

design change requests are deficient, and provide recommendations for improvements where necessary.

- Coordinate and facilitate periodic federal Gate Reviews. Periodically throughout the DDI phase, the Consultant shall coordinate and facilitate all project activities, processes and expectations associated with federal Gate Reviews.
- Assist in the development and processing of control agency and Board documents. The Consultant shall draft and finalize, under State direction, documents such as Advance Planning Documents (APD's), including planning, implementation, initial and update versions, as applicable; Feasibility Study Reports (FSR's), reports to the Legislature, Grant Status Reports, Board presentations and others, as identified by the State. The Consultant shall assist in the development of responses to questions about these documents that may be submitted by control agencies.
- Assist in analysis and development of responses to findings, recommendations and inquiries from control and oversight agencies or independent consultants, such as Independent Verification and Validation and Independent Project Oversight Consultants.

2.4 BUSINESS ANALYSIS AND TESTING RESPONSIBILITIES

The Consultant shall provide business analysts to specialize in specific subject matter areas. These analysts shall actively participate in each phase of the DDI process, beginning with requirements analysis and continuing through user acceptance testing (UAT) and initial implementation. They shall act as subject matter and functional requirement resources representing the State. The specific subject matter areas to be covered by Consultant resources shall be:

- Eligibility and enrollment, to include, but not necessarily be limited to the areas covered in the Eligibility and Enrollment category of the Business Requirements contained in Attachment 2 of CalHEERS Solicitation HBEX4.
- Financial management, to include, but not necessarily be limited to the areas covered in the Financial Management category of the Business Requirements contained in Attachment 2 of CalHEERS Solicitation HBEX4.
- Plan management, to include, but not necessarily be limited to the areas covered in the Plan Management category of the Business Requirements contained in Attachment 2 of CalHEERS Solicitation HBEX4.
- CalHEERS interfaces, to include, but not necessarily be limited to the areas covered in the Interfaces category of the Technical Requirements contained in Attachment 2 of CalHEERS Solicitation HBEX4.
- Conversion and implementation, to include, but not necessarily be limited to the areas covered in the Conversion and Implementation and Change Management categories of the Development and Implementation Requirements contained in Attachment 2 of CalHEERS Solicitation HBEX4.

In addition, the Consultant shall provide an individual to lead the planning, development and execution of UAT.

2.5 TECHNICAL ARCHITECTURE REVIEW RESPONSIBILITIES

The Consultant shall provide qualified technical specialists at appropriate points in SDLC to review and evaluate SI plans, designs, test results and other artifacts from the perspective of the good industry practice and the technical architecture and performance requirements of CalHEERS. The Consultant shall designate a full-time, on-site Lead Technical Analyst who will work with the State to arrange the deployment of appropriate technical specialists and appropriate points in the SDLC. The specific subject matter areas to be covered by Consultant resources shall be:

- Enterprise architecture;
- Medicaid Information Technology Architecture (MITA) and relevant technical requirements for CMS certification of Health Insurance Exchanges;
- Service Oriented Architecture (SOA);
- Enterprise Service Bus (ESB);
- Application architecture;
- Data architecture;
- Database architecture;
- Data conversion;
- Information security architecture;
- Identity management;
- Infrastructure architecture, including but not limited to server, storage and network components;
- Interoperability and interface architecture;
- Performance and capacity management;
- Backup, restoration, contingency planning and disaster recovery;
- Pre-implementation testing design and execution;
- Operational environment management, including but not limited to service level management, security management, capacity management, configuration management, change management, release management and testing; and
- Industry standards and “best practices” in the areas listed above.

Consultant Activities: The Consultant is responsible for the following tasks and activities:

- Review system diagrams, models, technical workflows, technical specifications, technical design deliverables and other technical design artifacts developed by the SI for compliance with contract terms and conditions, conformity with applicable standards, quality of work and conformity with the Centers for Medicare and Medicaid Services, Federal, State, and DHCS enterprise architecture and MITA requirements for adaptable, sustainable, and integrated information technology management.
- Provide analysis, expertise and recommendations for the development and acceptance of system architecture deliverables, including input on cost and technical issues.
- Review technical components developed by the SI for compliance with approved technical design specifications, by performing code reviews, inspecting the installation, operation and performance of hardware, software and network components and performing other technical assessments to support evidence-based findings, conclusions and recommendations.

- Review SI test plans to ensure that testing for compliance with technical requirements, including, but not necessarily limited to, security, performance and capacity, is adequately addressed.
- Review SI test results to ensure that expected results are achieved with respect to technical requirements.
- Continuously monitor and assess the application and use of technical standards, methods and tools by the SI.
- Monitor and assess both processes and outcomes for all aspects of technical architecture, design, implementation and operational performance by the SI. Continuously monitor, assess and evaluate processes, procedures, controls, key deliverables and other artifacts of SI performance for appropriate quality attributes, including, for example, effectiveness, contract compliance, adherence to applicable standards, traceability, consistency, completeness, accuracy and compliance with performance standards.
- Work collaboratively with State project management and project stakeholders to ensure that review, evaluation and monitoring of SI technical activities are conducted in a coordinated manner and that management of issues and risks is coordinated at the project level.
- Collaborate, as directed, with other State and federal departments and program staff in furtherance of the goals and objectives of this SOW.
- Assessment of CalHEERS Application Size. At the option of the State, the Consultant shall provide up to five function point counts of the size of the CalHEERS system. The counts, if requested by the State, would be based upon the SI proposal and executed contract, the requirements specification, the functional design specification, the system tested code and the operational system. The State reserves the right to request any, all, or none of the specific counts. Counts shall be performed by International Function Point Users Group (IFPUG) Certified Function Point Specialists.

2.6 WORK PRODUCTS

The Consultant is responsible for providing the following plans and reports:

- Consultant communication plan, to be prepared in accordance with Section 2.2 above and submitted to the State within ten (10) days of contract award.
- Consultant staff loading plans, to be prepared in accordance with Section 2.2 above, and to be updated at least monthly.
- Formal written Status Reports, to be prepared monthly in accordance with Section 2.2 above.
- UAT documentation, including, but not necessarily limited to, test plans, planned test scenarios, cases and transactions, training materials, and test results detail and summary reports. UAT results reports shall be produced daily and shall encompass defect tracking, including defects identified and resolved and inventory aging of unresolved defects by severity level and subject classification.
- UAT training for State staff.
- Function Point Count Reports, if requested by the State.
- Ad hoc analyses, reports and issue papers to be prepared at the direction of the State.

3. PROPOSAL PREPARATION INSTRUCTIONS

3.1 INTRODUCTION

This section provides instructions for preparation of the offeror's response to the requirements of the Consultant Scope of Work as well as the requirements for the response to administrative requirements, format, assembly and packaging of responses.

3.2 OVERVIEW OF VOLUME I - RESPONSE TO REQUIREMENTS

This subsection addresses the portions of Volume I content that will be evaluated and scored.

Corporate Description and Background

The offeror must provide a brief narrative describing the firm, its resources and its business. This narrative must not exceed five pages in length. The narrative must specifically state the firm's number of years in business, present annual revenue history for at least three years and current number of employees and describe the major lines of business conducted by the firm. In addition, any further information on the capability and capacity of the firm to provide the required support for a large scale, high-risk project such as CalHEERS should be included.

Projects in Progress or Completed within the Last Three Years

The offeror must complete the Corporate Experience Summary Form found in Attachment 2. Offerors must complete the form for three projects completed in the last three years. The projects shall be selected by the offeror on the basis of the offeror's own assessment of their relevance to the CalHEERS scope of work; however, offerors that have completed fewer than three projects in the last three years should include all projects completed in the last three years.

In addition, offerors must complete the form for up to three projects that are currently in progress. The projects shall be selected by the offeror on the basis of the offeror's own assessment of their relevance to the CalHEERS scope of work; however, offerors that have fewer than three projects currently in progress should include all projects currently in progress.

Staff Qualifications - Overview

The State seeks a team of eighteen (18) experienced consultants, for a period of twenty-four (24) months to provide the services described in this solicitation. Consultant staff will be assigned to general areas of responsibility as set forth in the Staff Experience Summary Form found in Attachment 2 . Consultants are anticipated to operate within an organizational structure similar to that illustrated in Attachment 4 - CalHEERS Project Organization Chart. In both Volume I - Response to Requirements and Volume II - Cost Bid, specific staff shall be identified for each area of responsibility.

Staff Qualifications - Resumes

Offerors must provide a resume of not greater than two pages in length for each proposed team member. Resumes must provide a summary of the team member's experience and other qualifications. Resumes must include specific information on education, training and certifications, if applicable. The resumes must be clearly identified by proposed position. For the Technical Specialists, a total of four resumes must be provided, with one designated as Lead, and the other representing a range of specialties designed to support the requirements set forth in Section 2.5.

Staff Qualifications - Staff Experience Summary Form

Offerors must complete the Staff Experience Summary Form found in Attachment 2. Offerors must complete the form for each proposed team member, limiting the projects described to only those completed within the last five years, or currently in progress. The number of projects described for each team member must be limited to a maximum of three and shall be selected by the offeror on the basis of the offeror's own assessment of their relevance to CalHEERS scope of responsibilities and activities, as described in Section 2.

Staff Qualifications - References

Offerors must complete the Staff Reference Form found in Attachment 2. Two reference forms must be provided for each proposed team member. Each reference must be linked to a project on the Staff Experience Summary Form. References must be individuals who managed or supervised the proposed team member and reviewed their work. References are required to complete Section B, sign and date the form. Any forms not signed and dated may be deemed non-responsive.

All references provided by the offeror may be contacted via email or phone to verify the reference provided. References will be contacted between 8:00 a.m. and 5:00 p.m. PST after submission of Final Responses. In the event references are contacted for verification, no more than two attempts will be made by telephone. If the reference is not reached directly on the first attempt, the State will leave a message with a date and time for the second attempt and a contact name and telephone number. If the reference will not be available at the date and time identified for the second attempt, that reference must contact the State to arrange a mutually agreeable date and time within the evaluation period of this solicitation.

Staff Qualifications - Key Staff Interviews

The State may elect to interview up to three proposed team members for each offeror that passes the Corporate Qualifications and Resources evaluation threshold.

UNDERSTANDING AND APPROACH

The offeror must provide a brief narrative describing its understanding of, and approach to, performance of the work described in this solicitation. This narrative must not exceed ten (10) pages in length. The offeror should demonstrate an understanding of the key characteristics of large, complex government IT projects in general, and projects such as the CalHEERS in particular. The offeror should demonstrate understanding of the typical issues and risks that can be expected to arise in the course of the System Development Life-Cycle. The offeror should describe its approach to addressing the scope of work and responsibilities specified in Section 2 and, in particular, its approach to deploying its proposed team to effectively carry out those responsibilities and activities. This description should address how the offeror will provide the flexibility to address issues as they arise, while maintaining a high level of quality in the ongoing monitoring of SI's activities and artifacts. The offeror's approach to early identification of issues and risks, and how the offeror will directly contribute to resolution and mitigation, should be addressed. The offerors approach to providing Certified Function Point Specialists, if required by the State, should be briefly addressed.

3.3 OVERVIEW OF VOLUME II - COST BID

The State seeks a team of eighteen (18) experienced consultants, for a period of twenty-four (24) months to provide the services described in this solicitation. Attachment 3 - Cost Bid Form, is to be completed with the names of specific individuals and individual rates for each area of responsibility.

3.4 FINAL RESPONSE FORMAT AND CONTENT

These instructions describe the mandatory response format and the required approach for the development and presentation of response data. Format instructions must be adhered to, all requirements and questions in the solicitation must be responded to, and all requested data must be supplied.

Hard copy responses must be on standard white bond 8.5" x 11" paper, with one-inch margins at the top, bottom, and on both sides. However, charts, diagrams and similar materials may be foldouts. If foldouts are used, the folded size must fit within the 8.5" x 11" format. A font size of either 11 or 12 points must be used. Each volume of the offeror's response must be provided separately in an appropriate sized three-ring or loose leaf binder. Single-sided printing is acceptable but double-sided printing is preferred. Pages must be sequentially paginated in each section. However, it is not necessary to paginate forms or appendices.

Soft copy responses must be in Microsoft Word 2003 (or later) format or a searchable PDF format.

It is the offeror's responsibility to ensure its response is submitted in a manner that enables the State Evaluation Team to easily locate response descriptions and exhibits for each requirement. Page numbers must be located in the same page position throughout the response. Figures, tables, charts, etc. must be assigned index numbers and must be referenced by the numbers in the response text and in the response Table of Contents. Figures, etc. must be placed as close to the text references as possible.

General instructions

1. Each firm or individual may submit only one response, consisting of Volume I and a separate Volume II.

For the purposes of this paragraph, "firm" includes a parent corporation of a firm and any other subsidiary of that parent corporation. If a firm or individual submits more than one response, the State will reject all responses submitted by that firm or individual.

A firm or individual proposing to act as a prime contractor may be named as a subcontractor in another offeror's response. Similarly, more than one offeror may use the same subcontractors and/or independent consultants.

2. Develop responses by following all solicitation instructions and/or clarifications issued by the State in the form of question and answer notices, clarification notices or RFP addenda.
3. Before submitting a response, seek timely written clarification of any requirements or instructions that are believed to be vague, unclear or that are not fully understood.
4. In preparing a response, all narrative portions should be straightforward, detailed and precise. The State will determine the responsiveness of a proposal by its quality, not its volume, packaging or colored displays.

Packaging, Labeling and Copies

This section provides detailed instructions on response format, content and submittal.

Each response container must be sealed and labeled as follows:

- Name of Offeror
- Return Address
- California Health Benefit Exchange – CalHEERS Project Management and Technical Support Consulting Services Proposal

The following must be shown on each page of the response:

- Name of Offeror
- California Health Benefit Exchange – CalHEERS Project Management and Technical Support Consulting Services Proposal
- Response Volume Number
- Page Number

In addition, offerors must meet the following requirements:

- a. All response containers must be completely sealed. All copies must be marked appropriately and submitted by the dates and times specified in Section 1.7, Key Action Dates.
- b. The cost information must be sealed separately from the rest of the response.

The offeror must submit five (5) hard copies of Volume I and five (5) hard copies of Volume II. One (1) complete set of required volumes must be clearly marked "MASTER COPY." **The MASTER COPY must contain an original signature or initials wherever a signature or initials are required.** Offerors must provide signature and/or initials in blue ink on the Master Copy. Only the signature and/or initials of a person authorized to bind the bidding firm contractually is acceptable. Response attachments and other documentation placed in the extra response copies may reflect photocopied signatures.

- c. One (1) copy of the entire Volume I response, in Microsoft Word 2003 or later, or in searchable PDF format, must be submitted on Compact Disc (CD) and enclosed with the Master Copy of Volume I. The CD must be identical to, and contain everything included in, the Master Copy of Volume I. However, signatures may be omitted from the CD. The CD must *not* contain any cost information.
- d. One (1) copy of the Volume II response, in Microsoft Word 2003 or later, or in searchable PDF format, must be submitted on CD and enclosed with the Master Copy of Volume II. The CD must be identical to, and contain everything included in, the Master Copy of Volume II. However, signatures may be omitted from the accompanying CD.
- e. Do not mark any portion of the response, any attachment or other item of required documentation as "Confidential" or "Proprietary." The State will disregard any language purporting to render all or portions of a response confidential.

All responses must be delivered to the Procurement Official listed in Section 1.10 by the date and time listed in Section 1.9, Key Action Dates for response submission.

The complete response must be submitted with the number of copies indicated and include the following items following the organization outlined as follows:

- a. Volume I: Response to Requirements
- b. Volume II: Cost Bid

Assembly of Volume I – Response To Requirements

The offeror's response to this solicitation for Volume I must be in the order and format indicated below.

- Tab 1: Administrative Requirements Response:
 - Signed STD 213. Include two signed copies of the STD 213 **EXCEPT DO NOT INCLUDE COST WITH STD 213**. The STD 213 must be signed by an individual authorized to bind the firm contractually. The Master Copy of the Final Response must contain the two STD 213 forms, each with an original signature.
 - Completed and signed Contractor Certification Clauses
- Tab 2: Corporate Qualifications
 - Corporate Description and Background Narrative
 - Corporate Experience Summary Form
- Tab 3: Staff Qualifications
 - Proposed Team Member Resumes
 - Staff Experience Summary Form
 - Staff Reference Form
- Tab 4: Understanding and Approach

Assembly of Volume II – Cost Bid

The Cost Bid must:

- Contain the completed cost worksheet - Attachment 3: Cost Bid Form.
- Be submitted in a separate, sealed and clearly identified envelope or container/carton/box.

4. EVALUATION

4.1 INTRODUCTION

This section presents the evaluation process and scoring procedures the State will follow in reviewing responses submitted in response to this solicitation.

Final Responses must be received by the Procurement Official no later than the date and time specified in Section 1.9, Key Action Dates. Late responses will be rejected.

The State will appoint an Evaluation Team to conduct the response evaluation by consensus and assess whether the response is responsive and may proceed to the evaluation of the Response to Requirements.

Final selection will be on the basis of compliance with the proposal preparation requirements, and **60 percent scored Volume I requirements and 40 percent cost** among the responses that are responsive to the proposal preparation requirements. Responses that are not responsive to the proposal preparation requirements may be deemed non-responsive and excluded from further consideration by the State.

The weights of each area of the evaluation are shown below.

REQUIREMENT AREA	EVALUATION WEIGHT
Corporate Qualifications and Resources	Pass/Fail
Staff Qualifications (Total)	45%
<i>Staff Experience and Credentials</i>	30%
<i>Staff References</i>	15%
Understanding and Approach	15%
Cost	40%

4.2 RECEIPT

Upon receipt, the Procurement Official will date and time mark every response and verify that all responses are submitted under an appropriate cover, sealed, and properly identified. Volume II - Cost Bids will remain sealed until evaluation of Volume I is completed.

4.3 EVALUATION OF FINAL RESPONSES

During Final Response evaluation the State Evaluation Team will check each response in detail to determine its compliance with the proposal preparation requirements. Failure to respond to and/or meet a mandatory requirement may result in the Final Response being considered non-responsive. The Evaluation Team will be responsible for determining whether such a failure exists and whether it is material or immaterial.

Final Response Evaluation will consist of the following six steps:

- Step 1: Response Opening and Validation Check
- Step 2: Administrative Requirements Evaluation
- Step 3: Corporate Qualifications, Staff Qualifications and Understanding and Approach Evaluation
- Step 4: Offerors' Total Volume I Score Determination

Step 5: Cost Evaluation

Step 6: Offeror's Total Score Determination

4.3.1 Response Opening and Validation Check

All responses received by the time and date specified in Section 1.9, Key Action Dates, will be checked for proper identification and required information in conformance with the response submission requirements. Absence of required information may deem the response non-responsive and may be cause for rejection. Unsealed responses may be rejected.

Volume II: Cost Data, shall remain sealed until the State Evaluation Team has evaluated and scored the Volume I submission of all responses. Cost envelopes will only be opened for responsive offers from responsible offerors.

4.3.2 Administrative Requirements Evaluation - Volume I, Tab 1

The offeror's response to the administrative requirements identified in Volume I, Tab 1, Administrative Requirements Response, will be evaluated. If a Final Response fails to meet any of the requirements specified in Volume I, Tab 1, Administrative Requirements Response, the State will determine if the deviation is material. If the deviation is determined to be material, the Final Response may be considered non-responsive.

4.3.3 Evaluation of Corporate Qualifications, Staff Qualifications and Understanding and Approach - Volume I, Tabs 2, 3, and 4

The State Evaluation Team will evaluate Offeror proposals in the three areas of requirements described in Section 3.2.

Corporate Qualifications and Resources

The State seeks a vendor with significant corporate capacity to respond to State needs during the entire duration of the contract, support a high degree of qualified staff continuity, and a consistently high level of individual team member performance.

Two factors will be scored for corporate qualifications and resources, with each factor carrying equal weight within the corporate qualifications and resources evaluation. Evaluation and scoring of each of these factors are described below.

Corporate Description and Background

Scoring of this factor will be based upon the Evaluation Team's assessment of corporate resources, capacity and historical track record as they relate to the CalHEERS project management requirements. Evaluators will assign scores based upon the offeror's Corporate Description and Background narrative. Scores will be assigned in accordance with the rating scale shown below, Corporate Description and Background Scoring Key.

Corporate Description and Background Scoring Key

RATING	EVALUATION TEAM ASSESSMENTS	POINTS
Outstanding	High degree of confidence in corporate capabilities.	5
Acceptable	No reservations or minimal reservations about corporate capabilities and resources.	3
Marginal	Material reservations about corporate capabilities and resources.	1
Unacceptable	Corporate capabilities and resources clearly inadequate.	0

Projects in Progress or Completed within the Last Three Years

Scoring of this factor will be based upon the Evaluation Team's assessment of the breadth, depth and relevance to CalHEERS project management requirements of recent offeror experience, as well as corporate resources and capacity as indicated by the characteristics of projects. Evaluators will assign scores based upon information contained in the Corporate Experience Summary Form. Scores will be assigned in accordance with the rating scale shown below, Projects Completed or in Progress Scoring Key.

Projects Completed or in Progress Scoring Key

RATING	EVALUATION TEAM ASSESSMENTS	POINTS
Outstanding	Extensive, highly relevant corporate experience clearly demonstrated.	5
Acceptable	No reservations or minimal reservations about extent or relevance of corporate experience.	3
Marginal	Material reservations about extent or relevance of corporate experience.	1
Unacceptable	Extent of corporate experience clearly inadequate or irrelevant.	0

Corporate Qualifications and Resources Evaluation Results

The corporate qualification and resources evaluation allows for assignment of a maximum of ten points - two factors with a maximum of five points each. Responses scoring fewer than six points will be considered non-responsive and the State will discontinue evaluation of the response. Responses scoring six points or more will be evaluated in the other categories of Volume I Requirements, as described below, but their corporate qualification and resources scores will not be included in their total Volume I score determination.

Staff Qualifications

Staff qualifications carry the most weight of the non-cost factors used in determining the Offeror that will be selected for the CalHEERS project management support engagement. The State seeks a team of highly qualified, senior staff to provide high-level project management support services on the CalHEERS project. The following sections describe the evaluation and scoring of staff qualifications.

Staff Experience and Credentials

Scoring of this factor shall be based upon the Evaluation Team's assessment of the breadth, depth and relevance of each proposed team member's experience and credentials. Evaluators will assign scores based upon information contained in Resumes and Staff Experience Summary Forms. The Evaluation Team will consider, in descending order of importance:

1. Demonstrated capacity to successfully assume responsibility comparable to that proposed for the individual in the CalHEERS project management support engagement;
2. Demonstrated capacity to perform at a high level in multiple areas of project management;
3. General breadth and extent of experience, as indicated by the number of projects, and duration of individual involvement in each;
4. Relevance of experience as indicated by the scope and subject matter of project experience; and
5. Relevance of education, training and certifications.

Scores will be assigned for each individual in accordance with the rating scale shown below, Staff Experience and Credentials Scoring Key.

Staff Experience and Credentials Scoring Key

RATING	EVALUATION TEAM ASSESSMENTS	POINTS
Outstanding	A seasoned, senior individual, with demonstrated capacity to perform successfully as a high level project management consultant in multiple areas on similar large, complex projects.	5
Acceptable	No reservations or minimal reservations about this individual's capacity to perform at a high level in the CalHEERS DDI environment.	3
Marginal	Material reservations about this individual's capacity to perform at a high level in the CalHEERS DDI environment.	1
Unacceptable	Demonstrated experience clearly inadequate or irrelevant.	0

Staff References

Section 3.2 describes the State's approach to obtaining references. Two references for each proposed team member will be scored.

References provide numerical rankings in response to each question from a list of five questions, scoring each question on a scale of 1 to 4.

For evaluation purposes, scores will be assigned for each individual reference in accordance with the rating scale shown below, Individual Staff Reference Scoring Key.

Individual Staff Reference Scoring Key

RATING	EVALUATION TEAM ASSESSMENTS	POINTS
Outstanding	Total points assigned by the Reference = 17 through 20	5
Acceptable	Total points assigned by the Reference = 13 through 16	3
Marginal	Total points assigned by the Reference = 9 through 12	1
Unacceptable	Total points assigned by the Reference = 8 or less	0

Staff Interviews

The results of key staff interviews, if conducted, will be used to further inform assignment of Staff Experience and Credentials scores.

Understanding and Approach

Scoring of this factor shall be based upon the Evaluation Team's assessment of the Offeror's understanding of and insight into the challenges, issues and risks faced by the State in managing the CalHEERS project, and the feasibility, efficiency and expected effectiveness of the approaches offered by the Offeror to provide assistance to the State. Evaluators will assign scores based upon information contained in the Offeror's Understanding and Approach Narrative. The Evaluation Team will consider, in descending order of importance:

1. Quality of the Offeror's approach to addressing the CalHEERS scope of responsibilities and activities specified in Section 2, including how the offeror will provide the flexibility to address

issues as they arise, while maintaining a high level of quality in the ongoing monitoring of SI activities and artifacts;

2. Quality of the Offeror's approach to early identification of issues and risks, and how the approach will directly contribute to resolution and mitigation;
3. Demonstrated understanding of the typical issues and risks that can be expected to arise in the course of the system development lifecycle; and
4. Demonstrated understanding of the key characteristics of large, complex government IT projects in general, and projects such as CalHEERS in particular.

Scores will be assigned in accordance with the rating scale shown below, Understanding and Approach Scoring Key.

Understanding and Approach Scoring Key

RATING	EVALUATION TEAM ASSESSMENTS	POINTS
Outstanding	Understanding and approach clearly demonstrates unusual insight and/or creativity.	5
Acceptable	No reservations or minimal reservations about offeror's understanding and approach.	3
Marginal	Material reservations about offeror's understanding and approach.	1
Unacceptable	Understanding of the project and client needs clearly deficient.	0

4.3.4 Offerors' Total Volume I Score Determination

Evaluation weights, as specified in section 4.1, will be applied to the scores assigned for Staff Qualifications and Understanding and Approach for each offeror to determine the Total Volume I Score for that offeror.

4.3.5 Cost Evaluation

Cost Bids (Volume II) will not be opened until the Evaluation Team has completed its evaluation of Volume I. Offerors whose responses have been determined to be responsive through Step 4 of Section 4.3 will have their sealed Cost Bids opened. If an offeror's Final Response has been determined to be non-responsive during the Volume I evaluation, its Cost Bid will remain unopened.

During Cost Evaluation, the Evaluation Team will screen the Cost Bid for compliance with all mandatory requirements set forth in Section 3.4. Non-material deviations may be waived by the State.

NOTE: If an Offeror's Cost Bid fails to meet the requirement to be submitted under separate, sealed cover the State may immediately deem the offeror's response to be non-responsive and may discontinue evaluation of the response.

Once the Evaluation Team has verified that the Cost Bid meets all mandatory requirements, the Evaluation Team will evaluate the Cost Bid and determine the offeror's Cost Score.

The offeror with the lowest Grand Total for Schedule A on Attachment 3: Cost Bid Form, will receive the maximum cost points available. All other offerors will be awarded a Cost Score calculated using the equation below:

$$\frac{\text{Lowest Bid Total} \times \text{Maximum Cost Points Available}}{\text{Offeror Total}} = \text{Cost Bid Points Awarded}$$

4.3.6 Offeror's Total Score

The offeror's total score will be the sum of the Response to Requirements (Volume I) score and the cost points. The Offeror with the highest total score will be contacted by the California Health Benefit Exchange to begin Agreement negotiations.

ATTACHMENT 1 - VOLUME I - ADMINISTRATIVE REQUIREMENTS FORMS

Contents:

Standard Agreement – STD 213

Budget Detail and Payment Provisions

Contractor Certification Clauses

Special Terms and Conditions

Additional Provisions

STANDARD AGREEMENT

STD 213 (Rev 06/03)

AGREEMENT NUMBER
REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:

STATE AGENCY'S NAME

California Health Benefit Exchange

CONTRACTOR'S NAME

2. The term of this Agreement is: through

3. The maximum amount \$ **[To be left blank until contract award]** of this Agreement is:

4. The parties agree to comply with the terms and conditions of the following exhibits which are by this reference made a part of the Agreement.

- | | |
|--|----------|
| Exhibit A - CalHEERS Project Management Support Consultant Request for Proposals | 22 pages |
| Exhibit B - Budget Detail and Payment Provisions | 2 pages |
| Exhibit C - Contractor Certification Clauses | 4 pages |
| Exhibit D – Special Terms and Conditions | 3 pages |
| Exhibit E – Additional Provisions | 2 pages |
| Volumes I and II of Contractor Response to Request for Proposals | X pages |

IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.

CONTRACTOR		California Department of General Services Use Only <input checked="" type="checkbox"/> Exempt per: Government Code Section 100505
CONTRACTOR'S NAME (if other than an individual, state whether a corporation, partnership, etc.)		
BY (Authorized Signature)	DATE SIGNED(Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
STATE OF CALIFORNIA		
AGENCY NAME		
California Health Benefit Exchange		
BY (Authorized Signature)	DATE SIGNED(Do not type)	
PRINTED NAME AND TITLE OF PERSON SIGNING		
Peter V. Lee, Executive Director, CA Health Benefit Exchange		
ADDRESS		
2535 Capitol Oaks Drive, Suite #120, Sacramento, CA 95833		

**EXHIBIT B
(Standard Agreement)**

BUDGET DETAIL AND PAYMENT PROVISIONS

A. Invoicing and Payment

1. The maximum amount payable under this agreement shall not exceed \$X.
2. For services satisfactorily rendered, and upon receipt and approval of the invoice(s), the State, agrees to pay the Contractor for said services at the hourly rates and costs agreed upon in Attachment 3 – Cost Bid Form, Schedule A and B.

The Contractor shall submit an invoice supported by brief progress which summarizes both completed tasks and work in progress toward all contract deliverables.

3. Invoices shall include the Agreement Number and Index Code 3110, and shall be submitted in triplicate not more frequently than monthly in arrears to:

California Health Benefit Exchange
2535 Capitol Oaks Drive, Suite #120
Sacramento, CA 95833

Any invoices submitted without the above referenced information may be returned to the Contractor for further re-processing.

B. State Budget Contingency Clause

1. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, California Health Benefit Exchange shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
2. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the California Health Benefit Exchange shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an agreement amendment to Contractor to reflect the reduced amount.

**EXHIBIT B
(Standard Agreement)**

C. For Contract With Federal Funds

1. It is mutually understood between the parties that this Agreement may have been written before ascertaining the availability of Congressional appropriation of funds, for the mutual benefit of both parties, in order to avoid program and fiscal delays which would occur if the Agreement were executed after that determination was made.
2. This Agreement is valid and enforceable only if sufficient funds are made available to the State by the United States Government for the term of this Agreement for the purposes of this program. In addition, this Agreement is subject to any additional restrictions, limitations, or conditions enacted by the Congress or any statute enacted by the Congress which may affect the provisions, terms, or funding of this Agreement in any manner.
3. It is mutually agreed that if the Congress does not appropriate sufficient funds for the program, this Agreement shall be amended to reflect any reduction in funds.
4. The California Health Benefit Exchange has the option to invalidate the Agreement under the 30-day cancellation clause or to amend the Agreement to reflect any reduction of funds.

D. Prompt Payment Clause

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

E. Review

The California Health Benefit Exchange reserves the right to review service levels and billing procedures as they impact charges against this Agreement.

F. Final Billing

Invoices for services must be received by the State within 90 days following each state fiscal year, or 90 days following the end of the contract term, whichever comes first. The final invoice must include the statement "Final Billing."

G. Nonresident Tax Withholdings

Payments to all nonresidents may be subject to withholding. Nonresident payees performing services in California or receiving rent, lease, or royalty payments from property (real or personal) located in California will have seven percent of their total payments withheld for state income taxes. However, no withholding is required if total payments to the payee are \$1,500 or less for the calendar year.

Exhibit C

CCC-307

CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>		<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>		
<i>Printed Name and Title of Person Signing</i>		
<i>Date Executed</i>	<i>Executed in the County of</i> Sacramento	

CONTRACTOR CERTIFICATION CLAUSES

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.

b. Establish a Drug-Free Awareness Program to inform employees about:

- 1) the dangers of drug abuse in the workplace;
- 2) the person's or organization's policy of maintaining a drug-free workplace;
- 3) any available counseling, rehabilitation and employee assistance programs; and,
- 4) penalties that may be imposed upon employees for drug abuse violations.

c. Every employee who works on the proposed Agreement will:

- 1) receive a copy of the company's drug-free workplace policy statement; and,
- 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award

of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lessor of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov, and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts over \$100,000 executed or amended after January 1, 2007, the contractor certifies that contractor is in compliance with Public Contract Code section 10295.3.

DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

1. CONFLICT OF INTEREST: Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. LABOR CODE/WORKERS' COMPENSATION: Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

**EXHIBIT D
(Standard Agreement)**

SPECIAL TERMS AND CONDITIONS

A. Dispute Provisions

1. 1. If the Contractor disputes a decision of the State's designated representative regarding the performance of this Agreement or on other issues for which the representative is authorized by this Agreement to make a binding decision, Contractor shall provide written dispute notice to the State's representative within 15 calendar days after the date of the action. The written dispute notice shall contain the following information:
 - a. the decision under dispute;
 - b. the reason(s) Contractor believes the decision of the State representative to have been in error (if applicable, reference pertinent contract provisions);
 - c. identification of all documents and substance of all oral communication which support Contractor's position; and
 - d. the dollar amount in dispute, if applicable.
2. Upon receipt of the written dispute notice, the State program management will examine the matter and issue a written decision to the Contractor within 15 calendar days. The decision of the representative shall contain the following information:
 - a. a description of the dispute;
 - b. a reference to pertinent contract provisions, if applicable;
 - c. a statement of the factual areas of agreement or disagreement; and
 - d. a statement of the representative's decision with supporting rationale.
3. The decision of the representative shall be final unless, within 30 days from the date of receipt of the representative's decision, Contractor files with the California Health Benefit Exchange a notice of appeal addressed to:

California Health Benefit Exchange
2535 Capitol Oaks Drive, Suite #120
Sacramento, CA 95833

Pending resolution of any dispute, Contractor shall diligently continue all contract work and comply with all of the representative's orders and directions.

B. Termination Without Cause

This Agreement may be terminated without cause by the State upon 30 days written notice to the contractor.

**EXHIBIT D
(Standard Agreement)****C. Debarment and Suspension**

For federally funded agreements, **Contractor certifies** that to the best of his/her knowledge and belief he/she and their principals or affiliates or any sub-contractor utilized under this agreement, are not debarred or suspended from federal financial assistance programs and activities nor proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any federal department or agency. The Contractor also certifies that it or any of its sub-contractors are not listed on the Excluded Parties Listing System (<http://www.epls.gov>) (Executive Order 12549, 7 CFR Part 3017, 45 CFR Part 76, and 44 CFR Part 17).

D. Certification Regarding Lobbying

Applicable to Grants, Subgrants, Cooperative Agreements, and Contracts Exceeding \$100,000 in Federal Funds.

1. For Agreements with Contractors who are State entities not under the authority of the Governor, or cities, private firms or agencies which are receiving in excess of \$100,000 in federal funds from the California Health Benefit Exchange to perform services. By signing this Agreement the Contractor certifies that to the best of his or her knowledge and belief, that:
 - a. 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 a Federal contract, the making of a Federal grant, the making of a Federal loan, the entering into of a cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a Federal contract, grant, loan, or cooperative agreement.
 - b. 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 Grant or agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions.
 - c. The Contractor shall require that the language of this certification be included in the award documents for all covered subawards exceeding \$100,000 in Federal funds at all appropriate tiers and that all subrecipients shall certify and disclose accordingly.

**EXHIBIT D
(Standard Agreement)**

2. This certification is a prerequisite for making or entering into this transaction and is imposed by Section 1352, Title 31, U. S. Code. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Any person who fails to file the required certification shall be subject to a civil penalty of no less than \$10,000 and not more than \$100,000 for each such failure.

E. Computer Software Copyrights

Contractor certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this contract for the acquisition, operation or maintenance of computer software in violation of copyright laws.

F. A-133 Audit

Pursuant to Office of Management and Budget (OMB) Circular A-133 §__.200 "Audit Requirements", non-federal entities that expend \$500,000 or more in a year in Federal awards from all sources combined shall have a single or program-specific audit conducted for that year in accordance with the provisions of OMB Circular A-133. All OMB Circular A-133 audit reports shall meet the reporting requirements established in OMB §__.320 "Report Submission" and a copy shall be forwarded to the California Health Benefit Exchange.

G. Subcontractors

(Applicable to agreements in which the Contractor subcontracts out a portion of the work) Nothing contained in this Agreement or otherwise shall create any contractual relationship between the Exchange and any subcontractors, and no subcontractor shall relieve the Contractor of its responsibilities and obligations hereunder. The Contractor agrees to be fully responsible to the Exchange for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by the Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the obligation of the Exchange to make payments to the Contractor. As a result, the Exchange shall have no obligation to pay or to enforce the payment of any moneys to any subcontractor.

EXHIBIT E
(Standard Agreement)

ADDITIONAL PROVISIONS

A. Intellectual Property Rights

1. All deliverables as defined in the Scope of Work originated or prepared by the Contractor pursuant to this agreement including papers, reports, charts, and other documentation, but not including Contractor's administrative communications and records relating to this Agreement, shall upon delivery and acceptance by the California Health Benefit Exchange become the exclusive property of the California Health Benefit Exchange and may be copyrighted by the California Health Benefit Exchange.
2. All inventions, discoveries or improvements of the techniques or programs or materials developed pursuant to this agreement shall be the property of California Health Benefit Exchange. The California Health Benefit Exchange agrees to grant a nonexclusive royalty-free license for any such invention, discovery, or improvement to the Contractor and further agrees that the Contractor may sublicense additional persons on the same royalty-free basis.
3. This Agreement shall not preclude the Contractor from developing materials outside this Agreement, which are competitive, irrespective of their similarity to materials which might be delivered to the California Health Benefit Exchange pursuant to this Agreement. All preexisting intellectual property, copyrights, trademarks and products shall be the sole property of the Contractor.

B. Confidentiality

The contractor agrees to protect the personal information of all individuals by following applicable federal and state privacy and security requirements.

C. Resumes

Resumes of personnel the Contractor will use to provide services under this Agreement are included as **Exhibit E – Attachment 1**, and made a part herein by this reference.

D. Evaluation of Contractor

Contractor is hereby notified that the State will evaluate the Contractor's performance for compliance with the terms of this Agreement within 60 days of the completion of the Agreement. The evaluation shall be prepared on a "Contract/Contractor Evaluation," STD Form 4. If the performance of the Contractor is not satisfactory, the State shall send a copy of the evaluation to the California Department of General

**EXHIBIT E
(Standard Agreement)**

Services, Office of Legal Services, within five working days after the completion of the evaluation. Contractor shall be notified and sent a copy of the unsatisfactory evaluation within 15 days after its completion.

E. Contractor Limitations

Contractor acknowledges that, in governmental contracting, even the appearance of a conflict of interest is harmful to the interest of the State. Thus, Contractor agrees to refrain from any practices, activities or relationships that could reasonably be considered to be in conflict with Contractor's fully performing his/her obligations to the State under the terms of this Contract. Contractor shall inquire about and require disclosure by its Staff and Subcontractors of all activities that may create an appearance of conflict. In the event that Contractor is uncertain whether the appearance of a conflict of interest may reasonably exist, Contractor shall submit to the State Project Manager a full disclosure statement setting forth the relevant details of any activity which the Contractor reasonably believes may have the appearance of a conflict of interest for the State's consideration and direction. Failure to promptly submit a disclosure statement setting forth the relevant details for the State consideration and direction shall be grounds for Termination of this Contract.

Consistent with the Public Contract Code Section 10365.5, no person, firm or subsidiary who has been awarded a consulting services contract may submit a bid, nor be awarded a contract, for the provision of the services, procurement of goods or supplies, or any other related action that is required, suggested, or otherwise deemed appropriate in the product of the consulting service contract. This does not apply to:

- (a) Any person, firm, or subsidiary thereof who is awarded a subcontract of a consulting services contract which amounts to no more than 10 percent of the total monetary value of the consulting services contract.
- (b) Consulting services contracts subject to Chapter 10 (commencing with [Section 4525](#)) of Division 5 of Title 1 of the Government Code.

All financial, statistical, personal, technical, and other data and information related to the California Health Benefit Exchange's operations that are not publicly available and that become available to Contractor shall be protected by Contractor from unauthorized use and disclosure. Contractor agrees that Contractor shall not use any non-public information for any purpose other than carrying out the provisions of the Agreement.

ATTACHMENT 2 - VOLUME I - RESPONSE TO REQUIREMENTS FORMS

Contents:

Corporate Experience Summary Form

Staff Experience Summary Form

Staff Reference Form

CORPORATE EXPERIENCE SUMMARY FORM

Complete the matrix provided in this attachment following the instructions provided below.

Project Name, Client Name, Contact & Number: Provide the project name and the client's name, contact person and contact phone number.

Project Description: Describe the project in sufficient detail to enable evaluators to understand the client business, overall objectives of the project, along with the offeror's specific roles and responsibilities on the project.

Project Total One-Time Cost: Provide the dollar amount, to the nearest \$10,000. A budget amount is acceptable for project's currently in progress.

Offeror Firm's Start Date and End Date: Provide the offeror firm's start and end date on the project using MM/DD/YYYY format. Indicate "current" for the end date for projects currently in progress.

Offeror Firm's Total Revenue: Provide the dollar amount, to the nearest \$10,000.

Total Number of Offeror Staff Utilized: Enter the maximum number of offeror's staff utilized on the project at one time.

Number of months that staff was on project: Enter the number of calendar months that multiple offeror staff was on the project simultaneously.

CORPORATE EXPERIENCE SUMMARY FORM

Project Name, Client Name, Contact & Number:		Project Description	Project Total One-Time Cost	Offeror Firm's Start Date and End Date	Offeror Firm's Total Revenue	Total Number of Offeror Staff Utilized	Number of months that multiple offeror staff were on project
Completed							
In Progress							

STAFF EXPERIENCE SUMMARY FORM

Complete the matrix provided in this attachment following the instructions provided below.

Proposed Staff Information: Provide the proposed staff member name, information on education, training and certifications, and identify the staff member's propose role on the CalHEERS Project Management Support Services project.

For the proposed staff roles, use the Position/Primary Responsibility labels from the Cost Bid Form, Schedule A (Attachment 3). Provide information for all eighteen required individuals. No information need be provided for the optional Certified Function Point Specialists.

Project Name, Client Name, Contact & Number: Provide the project name and the client's name, contact person and contact phone number.

Employer, Role, and Type of Experience: Identify who the proposed staff member was employed by while on the project cited, and describe the staff member's functional roles and responsibilities on the cited project, and the type of experience gained on the project.

Project Start Date and End Date: Provide the project's start and end date using MM/DD/YYYY format.

Proposed Staff Start Date and End Date: Provide the start and end date the proposed staff person was involved in the cited project using MM/DD/YYYY format.

Project Total One-Time Cost: Provide the dollar amount, to the nearest \$10,000. A budget amount is acceptable for projects currently in progress.

STAFF EXPERIENCE SUMMARY FORM

Contractor Name:	
Proposed Staff Name:	
Proposed Staff Education, Training and Certifications	
Proposed Staff Role:	

Project Name, Client Contact Name, & Client Contact Phone Number:	Employer, Role, and Type of Experience	Project Start Date and End Date	Proposed Staff Start Date and End Date	Project Total One-Time Cost
Project Name: Client Contact Name: Client Contact Phone Number:	Employer: Role: Experience:			
Project Name: Client Contact Name: Client Contact Phone Number:	Employer: Role: Experience:			

STAFF REFERENCE FORM

Section A: Reference Information (to be completed by the offeror)

Proposed Staff Name: _____

Project Name: _____

Role: _____

Reference Name: _____

Role/Position on Project: _____

Email: _____ Phone Number: _____

Section B: Ratings (to be completed by the reference)

Note to reference: Please rate your satisfaction with the services provided by the individual who performed the services on the project identified above. Ratings are to be based on the scale identified in the table below. This information will be used to evaluate the proposed staff mentioned above. Please complete the questions on this form to the best of your ability. The State Evaluation Team may verify customer references.

1	Completely dissatisfied / Poor performance
2	Some serious dissatisfaction / Some incidences of poor performance
3	Mostly satisfied / Generally acceptable performance
4	Completely satisfied / Excellent performance

1. On a scale of 1 to 4, with 4 being <i>completely</i> satisfied, how satisfied were you with the staff member's overall performance with this project?	
2. On a scale of 1 to 4, with 4 being <i>excellent</i> , how would you rate the Staff member's ability to communicate (both in oral and written communications) with project team members and stakeholders?	
3. On a scale of 1 to 4, with 4 being <i>excellent</i> , how would you rate the Staff member's knowledge of subject matter, including, as applicable, programs, methods, tools, techniques and standards?	
4. On a scale of 1 to 4, with 4 being <i>excellent</i> , how would you rate the Staff member's capability accurately identify risks and issues in advance and develop creative approaches to mitigation and resolution?	
5. On a scale of 1 to 4, with 4 being <i>excellent</i> , how would you rate the Staff member's capability to critically, insightfully and accurately assess the performance of a system integrator or developer.	

Reference Signature

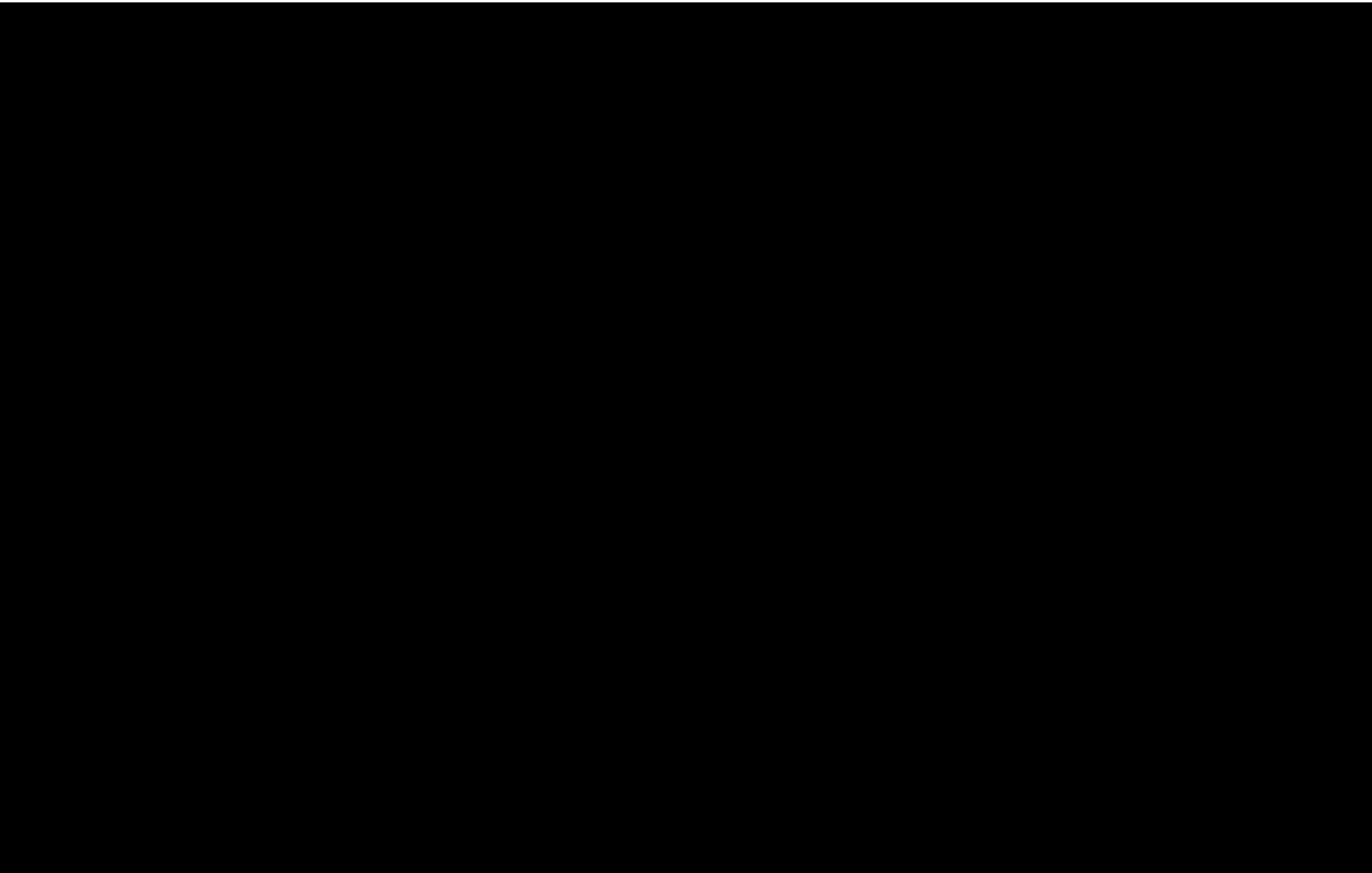
Date

ATTACHMENT 3 – VOLUME II COST BID FORM

Offerors must complete Schedule A of the Cost Bid Form by entering the name of each proposed team member, and entering the corresponding hourly rates in columns 1, 4, and 7. For Line 16 of Schedule A, enter a blended rate for the as-needed Technical Specialists.

Extend the fiscal years costs and enter the values in columns 3, 6, and 9. Enter the Grand Total for Schedule A as the sum of the three fiscal year totals.

Complete Schedule B by entering a firm fixed price for each of the five Function Point Counts, which may be requested at the sole option of the State.



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ATTACHMENT 4 - CALHEERS PROJECT ORGANIZATION CHART

CalHEERS Project Office

