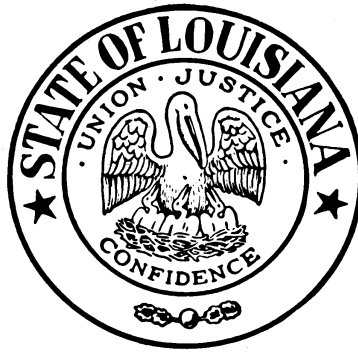


REQUEST FOR PROPOSALS

ACTUARIAL SERVICES



RFP#: 3000008513

PROPOSAL DUE DATE: SEPTEMBER 5, 2017

**STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS**

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1 ADMINISTRATIVE AND GENERAL INFORMATION

1.1 Purpose

The State of Louisiana, Office of Group Benefits (hereinafter called “OGB” or the “State”), requests Proposals from qualified Proposers who are interested in providing actuarial services to facilitate administration and management of the health and welfare benefit programs offered by OGB.

The general information contained in this Request for Proposals (herein, “RFP”) is complete and accurate to the best knowledge of OGB and based upon circumstances existing at the time the RFP was prepared. However, any such data and information released with the RFP are representations and not warranties by OGB. Each Proposer submitting a Proposal assumes sole responsibility for reliance upon information included in this RFP.

1.2 Background

OGB is responsible for the administration and management of state health and welfare benefit programs to over 250,000 active and retired State of Louisiana employees and their dependents, as well as the employees and dependents of other government entities that have elected to participate in the OGB plan of benefits. Offered benefits currently include health insurance, which includes prescription drug coverage, flexible spending arrangement options, and life insurance. OGB currently offers self-funded health plans (administered by Blue Cross and Blue Shield of Louisiana), a fully-insured Health Maintenance Organization plan (administered by Vantage Health Plan, Inc.) and Medicare Retiree specific fully-insured plans. For pharmacy benefits, OGB currently contracts MedImpact Healthcare Systems, Inc., for a carved-out pharmacy program. OGB’s self-funded plans other than the Pelican HSA 775 utilize MedImpact Healthcare Systems, Inc.’s pharmacy network providers. Pharmacy benefits for the Pelican HSA 775 plan are administered through a vendor of Blue Cross and Blue Shield of Louisiana.

OGB currently offers two fully-insured life insurance plans which are currently administered through The Prudential Insurance Company of America. OGB pays half of the life insurance premium for covered employees and retirees, while employees/retirees are responsible for 100% of dependent life premiums. Additional health and life insurance plan and flexible spending arrangement offering information can be found by accessing <http://www.groupbenefits.org/>.

OGB has actuarially-projected expenditures of \$1,353,828,243 in plan-related expenses and \$56,064,146 in administrative costs for calendar year 2017. While OGB’s health plans have experienced increases in trends and utilization over the past couple of years, OGB continues to analyze its experience and make necessary adjustments to contain any cost increases whenever possible. Actuarial services are instrumental in supporting OGB’s continued business operations (i.e., benefit development, rate setting, risk adjustment determinations, etc.).

1.3 Goals and Objectives

1. To assist OGB in providing health and welfare benefit programs that are actuarially cost effective.
2. To establish a contract with a qualified actuarial firm/individual that possesses the knowledge, skill, experience, and credentials necessary to assist OGB in administration and management of its health and welfare programs.

1.4 Term of Contract

The term of any contract resulting from this RFP shall begin on or about January 1, 2018, and is anticipated to end on December 31, 2020. With all proper approvals and concurrence with the successful Contractor, OGB may also exercise an option to extend for up to twenty-four (24) additional months at the same rates, terms, and conditions of the initial contract term. Prior to the extension of the contract beyond the initial thirty-six (36)-month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) and/or other approval authorized by law shall be obtained. Written evidence of JLCB approval shall be submitted, along with the contract amendment, to the Office of State Procurement (OSP) to extend contract terms beyond the initial 3-year term. The total contract term, with extensions, shall not exceed five (5) years. The continuation of the contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the contract.

1.5 Definitions

Contractor – Denotes the successful Proposer who is awarded a Contract and assumes full responsibility and liability for completion of the deliverables.

FSA – Denotes Fellow of the Society of Actuaries.

HIPAA – Denotes Health Insurance Portability and Accountability Act.

JLCB – Denotes Joint Legislative Committee on the Budget.

MAAA – Denotes Member of the American Academy of Actuaries.

OGB CEO – Denotes the Office of Group Benefit’s Chief Executive Officer.

OSP – Denotes Office of State Procurement.

Proposal – Denotes a response to a RFP.

Proposer – Denotes an individual or organization submitting a proposal in response to a RFP.

RFP – Denotes a Request for Proposals.

Shall, Must, Will – Denotes a mandatory requirement.

Should, May, Can – Denotes an advisable or permissible action.

State - The State of Louisiana.

1.6 Schedule of Events

EVENT	DATE
Post RFP to LaPAC	August 1, 2017
Deadline for Receipt of Written Inquiries	4:00 pm CST, August 8, 2017
Issue Responses to Written Inquiries	August 22, 2017
Deadline for Receipt of Proposals	4:00 pm CST, September 5, 2017
Oral Presentations, if required	Week of September 25, 2017
Notice of Intent to Award Announcement	Week of October 9, 2017
Begin Implementation	November 1, 2017
Contract Effective Date	January 1, 2018

NOTE: OGB reserves the right to revise this schedule of events. Revisions, if any, before the Proposal submission deadline will be formalized by issuance of an addendum to the RFP.

1.7 Proposal Submittal

Firms/individuals who are interested in providing services requested under this RFP must submit a Proposal containing the mandatory information specified in this RFP. The Proposal must be received in hard copy (printed) version by the OGB RFP Coordinator/Blackout Period Contact on or before 4:00 PM Central Standard Time (“CST”) on the date specified in the Schedule of Events. Facsimile and electronic mail (“e-mail”) submissions are not acceptable. Proposers mailing their Proposals should allow sufficient mail delivery time to ensure receipt of their Proposal by the time specified.

The Proposer should label Proposal submissions as follows:

Actuarial Services

Proposer’s Name

The Proposal package must be delivered at the Proposer’s expense to:

OGB RFP Coordinator/Blackout Period Contact
Office of Group Benefits
1201 N. 3rd Street
Claiborne Building, Suite G-159
Baton Rouge, LA 70802

It is solely the responsibility of each Proposer to ensure that its Proposal is delivered at the specified place and prior to the deadline for submission. Proposals received after the deadline will not be considered. **Proposers are hereby advised that the U.S. Postal Service does not make deliveries to OGB’s physical location.**

1.8 Qualifications for Proposer

1.8.1 Mandatory Qualifications

Proposers must meet the following qualifications prior to the deadline for receipt of Proposals:

- Authorized to transact business in the State of Louisiana;
- Seven (7) continuous years of experience providing actuarial services to at least two (2) other public self-funded health and welfare plans (not including the State of Louisiana, Office of Group Benefits) having at least 50,000 employees/retirees in the United States. The Proposer should include client name, address, industry, contact person, title, telephone number, and client email address along with a brief narrative of the services provided for each cited project; and
- Primary actuary who will perform work under the contract resulting from this RFP must be a current member of American Academy of Actuaries (MAAA) <http://www.actuary.org/>, a Fellow of the Society of Actuaries (FSA) <https://www.soa.org>, fully compliant with all eligibility and continuing education requirements, and possess seven (7) years of experience in the field of health benefits.

Each Proposer must include documentation demonstrating its compliance with the mandatory qualifications referenced above in its Proposal submission.

1.8.2 Desirable Qualifications

It is desirable that Proposers should meet the following qualifications prior to the deadline for receipt of Proposals.

- Experience providing testimony before legislative and administrative bodies;
- Ability to discuss actuarial theory, the basis for assumptions, and all other actuarial matters in language that is easily understood; and
- Substantial knowledge of actuarial methods and techniques as applied to health and life insurance premium development and analysis.

1.9 Proposal Response Format

Proposals submitted for consideration should follow the format and order of presentation described below.

A. Cover Letter

A cover letter should be submitted on the Proposer's official business letterhead explaining the intent of the Proposer.

B. Table of Contents

The Proposal should be organized in the order contained below.

C. Executive Summary

This section should serve to introduce the scope of the Proposal. It should present administrative information including, Proposer contact name and phone number, and the stipulation that the Proposal is valid for a time period of at least ninety (90) calendar days from the date of submission. This section should also include the following: 1) A summary of the Proposer's qualifications and ability to meet OGB's overall requirements in the timeframes set by OGB; 2) Confirmation that the Proposer has not had a record of substandard work within the past five (5) years; 3) Indicate whether the Proposer has, in force, insurance coverage that meets the requirements specified in Section 1.32, or the ability and commitment to obtain all required insurance coverage by the commencement of the contract; 4) A brief statement describing the adequacy of the Proposer's financial capacity to handle the requirements of this RFP; and 5) Confirmation that the Proposer has not engaged and/or been prosecuted for any unethical practices within the past five (5) years.

The executive summary should include a positive statement of compliance with the contract terms; see Sample Contract, Attachment I. If the Proposer cannot comply with any one or more of the contract terms, an explanation of each exception should be supplied. The Proposer should address the specific language in the Sample Contract, Attachment I, Business Associate Addenda, Attachment II, and Teachers' Retirement System of Louisiana (TRSL) Confidentiality Agreement, Attachment III, and submit whatever exceptions or exact contract modifications that it may seek. Other entities serviced by OGB's health and welfare program may request that the successful Proposer enter into a

confidentiality agreement or other similar agreement as relates to the sharing of certain data needed to perform actuarial analysis throughout the term of the contract. While final wording will be resolved during contract negotiations, the intent of the provisions will not be substantially altered. Selection of a Proposer does not require OGB to agree to any proposed deviation(s). Negotiations may begin with the announcement of the selected Proposer.

D. Company Background, Financial Condition and Experience

The Proposer should give a brief description of its organization, including a brief history, organization structure, number of years in business, and copies of its latest financial statement, preferably audited. The Proposer should provide a statement including the following: 1) Whether, in the last ten (10) years, the Proposer has filed (or had filed against it) any bankruptcy or insolvency proceeding, whether voluntary or involuntary, or undergone the appointment of a receiver, trustee, or assignment for the benefit of creditors, and if so, the explanation, providing relevant details; 2) Whether there are any pending Securities Exchange Commission investigations or other government investigation involving the Proposer, and if such are pending or in progress, an explanation providing relevant details and an attached opinion of counsel as to whether the pending investigation(s) will impair the Proposer's performance should a contract be issued pursuant to this RFP; 3) All open or pending litigation initiated by Proposer or where Proposer is a defendant in any open or pending litigation involving a customer matter; 4) Any and all litigation in which Proposer is a party and in which the amount in controversy exceeds \$1,000,000, currently and in the past five years; and 5) Any mergers, sales, or acquisitions involving Proposer (or substantially all of Proposer) or its book of business scheduled for the next twelve (12) months. OGB reserves the right to request any additional information to assure itself of a Proposer's financial status.

This section should also provide a detailed discussion of the Proposer's prior experience in working on projects similar in size, scope, and function to the proposed contract. Proposers should provide narratives of specific projects completed in other states or for corporate and governmental entities that offer public self-funded health and welfare plans to at least 50,000 employees/retirees, including recommendations accepted by the respective clients, with references for each cited project including client name, address, industry, size of active and retired membership, years serviced, contact person and title, telephone number, and email address. Also, include the number of years Proposer has provided the services requested in this RFP, the current number of actuaries on staff, the primary markets served, relevant licenses and/or certifications held by the Proposer, and any other experience or characteristics of the Proposer which would be relevant in evaluating your experience to perform the proposed services.

Proposers should clearly describe their ability to meet or exceed the mandatory qualifications set forth in Section 1.8.1 as well as the desirable qualifications in Section 1.8.2 and include any supporting documentation.

E. Approach and Methodology

Proposals should include enough information to satisfy evaluators that the Proposer has the appropriate experience, knowledge, and qualifications to perform the scope of services as described herein. Proposers should respond to all requested areas.

The Proposer should:

- Describe its understanding of the nature of the Scope of Services and how its Proposal will best meet the needs of OGB.
- Provide a proposed project work plan that includes implementation plans that fully detail all tasks necessary to begin performance of the contract on January 1, 2018, 12:00 am CST, IT/data file feed implementation, approach, and methodology to be followed in providing the services, all other tasks and services to be performed, as well as the responsible party and expected dates of completion.
- Provide a work sample that includes an executive summary and information from a recent actuarial valuation or report.
- Describe the forecasting methodology that will be used to perform the services set forth in this RFP.
- Define its approach for defining system and data security in relation to the claims data provided by OGB and/or its benefit administrators.
- Identify areas of project risk and procedures to mitigate risks associated with implementation.
- Describe current procedures in place to handle Protected Health Information (“PHI”) and Personally-Identifiable Information (“PII”).

F. Proposed Staff Qualifications

The Proposer should provide detailed information about the experience and qualifications, as it relates to the proposed role, of the Proposer’s project manager, primary actuary, and any other personnel considered key to the success of the project. The project manager will provide day-to-day management of project tasks and activities, coordination of Contractor support and administrative activities, and supervision of Contractor employees and subcontractors.

This information should include education, training, technical experience, functional experience, specific dates and names of employers, relevant and related experience, past and present projects and clients with dates and responsibilities and documentation of any applicable licenses and/or certifications. This should also specifically include the role and responsibilities of each person on this project, their planned level of effort, their anticipated duration of involvement, and their availability for periodic on-site meetings, as described Task (8) of Section 2.2 Task and Services, at OGB. Customer references (name, title, company name, address, e-mail address, and telephone number) should be provided for the cited projects in the individual resumes.

Proposers should clearly describe their ability to meet or exceed the mandatory qualifications set forth in Section 1.8.1 as well as the desirable qualifications in Section 1.8.2 and include any supporting documentation.

G. Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Participation

Participation of Veteran Initiative and Hudson Initiative small entrepreneurships will be scored as part of the technical evaluation.

The State of Louisiana Veteran and Hudson Initiatives are designed to provide additional opportunities for Louisiana-based small entrepreneurships to participate in contracting and procurement with the State. Disabled Veteran-Owned small entrepreneurships (LaVET) and Louisiana Initiative for Small entrepreneurships (Hudson Initiative) small entrepreneurships are certified by the Louisiana Department of Economic Development. All eligible vendors are encouraged to become certified.

Qualification requirements and online certification are available at:

<http://smallbiz.louisianaeconomicdevelopment.com>

Ten percent (10%) of the total evaluation points on this RFP shall be reserved for Proposers who are themselves a certified Veteran (LaVet) and/or Hudson Initiative small entrepreneurship or who will engage the participation of one or more certified Veteran or Hudson Initiatives small entrepreneurships as subcontractors.

If a Proposer is certified as a Hudson **and** a Veteran small entrepreneurship, the maximum points to be reserved is ten percent (10%) of the total evaluation points.

If a Proposer is not a certified Hudson or Veteran small entrepreneurship as described herein, but plans to use certified Hudson or Veteran small entrepreneurships, Proposer shall include in its Proposal the names of their certified Veteran Initiative or Hudson Initiative small entrepreneurship subcontractor(s), a description of the work each will perform, and the dollar value of each subcontract.

Reserved points shall be added to the applicable Proposer's evaluation score as follows:

Proposer Status and Reserved Points

- Proposer is a certified LaVet or Hudson small entrepreneurship: Full amount of the reserved points.
- Proposer is not a certified LaVet or Hudson small entrepreneurship but has engaged one (1) or more LaVet or Hudson certified small entrepreneurships to participate as subcontractors.
- Points will be allocated based on the following criteria:
 - Number of LaVet and Hudson certified small entrepreneurships to be utilized;
 - Experience and qualifications of the certified LaVet and Hudson certified small entrepreneurship(s);

- Anticipated earnings to accrue or the percentage of work subcontracted to the certified LaVet and Hudson small entrepreneurship(s); and

During the term of the contract and at expiration, the Contractor will also be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor participation and the dollar amount of each.

The statutes (La. R.S 39:2171 *et. seq.*) concerning the Veteran Initiative; and the statutes (La. R.S 39:2001 *et. seq.*) concerning the Hudson Initiative may be viewed at <http://legis.la.gov/lss/lss.asp?doc=96265>. The rules for the Veteran Initiative (LAC 19:VII Chapters 11 and 15) and for the Hudson Initiative (LAC 19:VIII Chapters 11 and 13) may be viewed at <http://www.doa.louisiana.gov/osp/se/se.htm>.

A current list of certified Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship may be obtained from the Louisiana Economic Development Certification System at <http://smallbiz.louisianaeconomicdevelopment.com>. Additionally, a list of Hudson and Veteran Initiative small entrepreneurship, which have been certified by the Louisiana Department of Economic Development and who have opted to register in the State of Louisiana LaGov Supplier Portal https://lagoverpvendor.doa.louisiana.gov/irj/portal/anonymous?guest_user=self_reg may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network <https://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>.

When using this site, determine the search criteria (i.e. alphabetized list of all certified vendors, by commodities, etc.) and select SmallE, VSE, or DVSE.

H. Cost Proposal

The Proposer must provide the total cost (inclusive of travel and all contract-related expenses) for providing the services described within this RFP. All cost information must be provided using Attachment IV, Cost Proposal Template. All information should be reflective of the Proposer's approach and methodology.

Each cost component (i.e., Maximum Monthly Fee and Best Value per 100 Hours) will be scored separately. For the maximum monthly fee, the proposed monthly fee will be used to determine the cost for this component. For the Best Value per 100 Hours, the Proposer must include the staff member name, position title, hourly rate, and percentage of hours each staff member will typically work per 100 hours to provide the services described in this RFP.

Scores for the two (2) cost components will be added together to determine the total Cost Proposal Score. OGB requires the same rate(s) for the entire contract term and any option period; provided, Contractor may decrease rates from year to year by contract amendment but not increase. **Note: The cost approach (maximum monthly fee or Best Value per 100 hours) determined to be most cost effective will be included in the resulting contract.**

I. Certification Statement

The Proposer must sign and submit Attachment V, Certification Statement.

J. Outsourcing of Key Internal Controls

Proposer shall provide information regarding the organization's last internal controls and security audit, to include a SOC 2, Type II report resulting from its most recent Statement on Standards for Attestation Engagements No. 16 (SSAE 16) audit. As an alternative to having successfully completed a SSAE16 SOC 2 Type II audit, the Proposer shall complete the State's Third Party Information Security Questionnaire included in Attachment IX. Any cost associated with completing the SSAE16 SOC 2 Type II audit, the State's questionnaire, or the remediation resulting from an identified risk shall be borne by the Proposer. The results of the SSAE16 audit and/or State's Third Party Information Security Questionnaire will be evaluated under the Technical Approach, Corporate Background and Experience. **Note: The evaluation committee may assign greater points to the results rendered by the independent auditor in the SSAE16 SOC 2, Type II audit.**

1.10 Number of Copies of Proposals

OGB requests the number of Proposal copies specified below be submitted to the OGB RFP Coordinator/Blackout Period Contact.

- One (1) Original (clearly marked "Original") and eight (8) numbered copies of the Technical Proposal. **All should be clearly marked "Technical Proposal".**
- Two (2) CDs or portable drives of the entire Technical Proposal in PDF and Word Format. **All should be clearly marked "Technical Proposal".**
- One (1) Original (clearly marked "Original") and two (2) numbered copies of the Cost Proposal. **All should be clearly marked "Cost Proposal".**
- Two (2) CDs or portable drives of the entire Cost Proposal in Word and Excel format. **All should be clearly marked "Cost Proposal".**
- If applicable, Proposer should also submit two (2) electronic redacted versions of the Proposal. **All should be clearly marked "Redacted".**

At least one (1) copy of the Proposal shall contain original signatures of those individuals, firm officials, or agents duly authorized to sign Proposals or contracts on behalf of the individual/firm. A certified copy of a board resolution granting such authority should be submitted if Proposer is a corporation. The copy of the Proposal with original signatures will be retained for incorporation in any contract resulting from this RFP.

1.11 Technical and Cost Proposals

Proposals should be submitted as specified in Section 1.10, and should include enough information to satisfy evaluators that the Proposer has the appropriate experience and qualifications to perform the scope of services as described herein. Proposers should respond to all requested areas.

1.12 Legibility/Clarity

Responses to the requirements of this RFP in the formats requested are desirable with all questions answered in as much detail as practicable. The Proposer's response should demonstrate an understanding of the requirements. Proposals prepared simply and economically, providing a straightforward, concise description of the Proposer's ability to meet the requirements of the RFP

are desired. Each Proposer shall be solely responsible for the accuracy and completeness of its Proposal.

1.13 Confidential Information

All financial, statistical, personal, technical and other data and information relating to OGB's operation and made available to the Contractor in order to carry out the contract, or which become available to the Contractor in carrying out the contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective security and procedural requirements as are applicable to OGB. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available through no fault of Contractor or its subcontractors, vendors, agents, or employees, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the contract, or is rightfully obtained from third parties without breach of the contract.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this contract without prior express written approval of OGB.

1.14 Trade Secrets and Proprietary Information

The designation of certain information as trade secrets and/or privileged or confidential proprietary information shall only apply to the technical portion of the Proposal. . Any Proposal copyrighted or marked as confidential or proprietary in its entirety may be rejected without further consideration or recourse.

For the purposes of this procurement, the provisions of the Louisiana Public Records Act (La. R.S. 44.1 *et. seq.*) shall be in effect. Pursuant to this Act, all proceedings, records, contracts, and other documents relating to this procurement shall be open to public inspection. Proposers are reminded that while trade secrets and other proprietary information they submit in conjunction with this procurement may not be subject to public disclosure, protections shall be claimed by the Proposer at the time of submission of their technical proposal. Proposers should refer to the Louisiana Public Records Act for further clarification.

The Proposer shall clearly designate the part of the Proposal that contains a trade secret and/or privileged or confidential proprietary information as "confidential" in order to claim protection, if any, from disclosure. The Proposer shall mark the cover sheet of the Proposal with the following legend, specifying the specific section(s) of the Proposal sought to be restricted in accordance with the conditions of the legend:

"The data contained in pages ____ of the proposal have been submitted in confidence and contain trade secrets and/or privileged or confidential information and such data shall only be disclosed for evaluation purposes, provided that if a contract is awarded to this proposer as a result of or in connection with the submission of this proposal, the State of Louisiana shall have the right to use or disclose the data therein to the extent provided in the contract. This restriction does not limit the State of Louisiana's right to use or disclose data obtained from any source, including the proposer, without restrictions."

Further, to protect such data, each page containing such data shall be specifically identified and marked "CONFIDENTIAL".

If the Proposer's response contains confidential information, the Proposer should also submit a redacted copy of their Proposal along with their original Proposal. When submitting the redacted copy, the Proposer should clearly mark the cover as such - "REDACTED COPY" - to avoid having this copy reviewed by an evaluation committee member. The redacted copy should also state which section(s) or information has/have been removed. The Proposer should also submit one (1) electronic redacted copy of their Proposal on a flash drive or CD. The redacted copy of the Proposal will be the copy produced by the State if a competing proposer or other person seeks review or copies of the Proposer's confidential data.

If the Proposer does not submit the redacted copy, it will be assumed that any claim to keep information confidential is waived.

Proposers shall be prepared to defend the reasons why the material should be held confidential. By submitting a Proposal with data, information, or material designated as containing trade secrets and/or privileged or confidential proprietary information, or otherwise designated as "confidential," the Proposer agrees to indemnify and defend (including attorneys' fees) the State and hold the State harmless against all actions, fees, expenses, or court proceedings that may ensue, which seek to order the State to disclose the information.

The State reserves the right to make any Proposal, including proprietary information contained therein, available to OSP personnel, the Office of the Governor, the legislative auditor, and other State agencies or organizations for the sole purpose of assisting the State in its evaluation of the Proposal. The State shall require said individuals to protect the confidentiality of any specifically identified proprietary information or privileged business information obtained as a result of their participation in these evaluations.

Additionally, any Proposal that fails to follow this section and/or La. R.S. 44:3.2(D)(1) shall have failed to properly assert the designation of trade secrets and/or privileged or confidential proprietary information and the information may be considered public record.

1.15 Proposal Clarifications Prior to Submittal

1.15.1 Pre-proposal Conference

OGB will not hold a pre-proposal conference.

1.15.2 Proposer Inquiries

Written questions regarding RFP requirements or Scope of Services must be submitted to the OGB RFP Coordinator/Blackout Period Contact at OGB.Proposals@la.gov.

OGB will only consider written Proposer inquiries and requests for clarification of the content of this RFP received from potential Proposers. OGB reserves the right to modify the RFP should a change be identified that is in the best interest of OGB or the State.

To be considered, written inquiries and requests for clarification of the content of this RFP must be received via email, OGB.Proposals@la.gov, by 4:00 PM CST on the date specified in Section 1.6, Schedule of Events. Any and all questions directed to the OGB RFP Coordinator/Blackout Period Contact will receive an official response. Official responses to all questions submitted by potential Proposers will be posted by the date specified in the Schedule of Events, Section 1.6, and can be accessed using the sites listed below.

<https://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>

<http://www.groupbenefits.org/latest-news/>

Only the OGB RFP Coordinator/Blackout Period Contact or designee has the authority to officially respond to Proposer's questions on behalf of OGB. Any communications from any other individuals are not binding upon OGB/State.

1.15.3 Blackout Period

The Blackout Period is a specified period of time during a competitive sealed procurement process in which any person or entity is prohibited from communicating with any State employee and any contractor of OGB/State involved in any step in the procurement process about the affected procurement. "Involvement" in the procurement process shall include but shall not be limited to project management, design, development, implementation, procurement management, development of specifications, and evaluation of proposals for a particular procurement. All solicitations for competitive sealed procurements will identify a designated contact person. All communications to and from interested parties during the Blackout Period must be in accordance with this solicitation's defined method of communication with the designated contact person. The Blackout Period will begin upon posting of the solicitation. The Blackout Period will end when the contract is awarded.

In those instances in which a prospective vendor is also an incumbent vendor, OGB/State and the incumbent vendor shall contact each other with respect to the existing contract only. Under no circumstances shall OGB/State and the incumbent vendor and/or its agent(s) or representative(s) discuss the blacked-out procurement.

Any person or entity who violates the Blackout Period may be liable to OGB and the State in damages and/or subject to any other remedy allowed by law. Further, failure to comply with these requirements may result in any involved Proposal's disqualification.

Any costs associated with cancellation or termination of this RFP will be the responsibility of the Proposer or bidder.

Notwithstanding the foregoing, the Blackout Period shall not apply to the following:

- A protest to a solicitation submitted pursuant to La. R.S. 39:1671, *et seq.* or LAC 34:V.2545, as amended April 7, 2015;
- Duly noticed site visits and/or conferences for bidders or Proposers;
- Oral presentations during the evaluation process; and,
- Communications regarding a particular solicitation between any person and staff of the procuring agency provided the communication is limited strictly to matters of procedure. Procedural matters shall include but not be limited to deadlines for decisions or submission of Proposals and the proper means of communicating regarding the procurement, but shall not include any substantive matter related to the particular procurement or requirements of the RFP.

The Blackout Period begins on August 1, 2017, and concludes upon the announcement of the successful Contractor.

1.16 Errors and Omissions in Proposals

OGB/State reserves the right to seek clarification of any Proposal for the purpose of identifying and eliminating minor irregularities or informalities. OGB/State will not be liable for any errors in Proposals.

1.17 RFP Addenda

OGB reserves the right to change the schedule of events or revise any part of the RFP by issuing an addendum to the RFP at any time. Addenda, if any, will be posted at the following locations:

<https://wwwcfprd.doa.louisiana.gov/osp/lapac/pubMain.cfm>

<http://info.groupbenefits.org/latest-news/>

It is the responsibility of the Proposer to check the website for addenda to the RFP, if any.

1.18 Withdrawal of Proposal

A Proposer may withdraw a Proposal that has been submitted at any time up to the date and time the Proposal is due. To accomplish this, a written request signed by the authorized representative of the Proposer must be submitted to the OGB RFP Coordinator/Blackout Period Contact.

1.19 Waiver of Administrative Informalities

OGB/State reserves the right, at its sole discretion, to waive minor administrative informalities contained in any Proposal.

1.20 Proposal Rejection/RFP Cancellation

Issuance of this RFP in no way shall constitute a commitment by OGB or the State to award a contract. OGB/State shall reserve the right to accept or reject, in whole or part, all Proposals submitted and/or cancel this RFP if it is determined to be in its best interest.

1.21 Ownership of Proposal

All materials submitted in response to this RFP shall become a Record of the State/OGB. Selection or rejection of a Proposal does not affect this right.

1.22 Cost of Proposal Preparation

OGB/State shall not be liable for any costs incurred by Proposers prior to issuance of or entering into a contract. Costs associated with developing the Proposal, preparing for oral presentations, and any other expenses incurred by the Proposer in responding to this RFP are entirely the responsibility of the Proposer and shall not be reimbursed in any manner by OGB or the State.

1.23 Taxes

Contractor shall be responsible for payment of all taxes and fees on Contractor's income, property, and entity status (i.e., permits, licenses, etc.).

1.24 Determination of Responsibility

Determination of the Proposer's responsibility relating to this RFP shall be made according to the standards set forth in LAC 34:2536. OGB/State must find that the selected Proposer:

- Has adequate financial resources for performance, or has the ability to obtain such resources as required during performance;
- Has the necessary experience, organization, technical qualifications, skills, and facilities, or has the ability to obtain them;
- Is able to comply with the proposed or required time of delivery or performance schedule;
- Has a satisfactory record of integrity, judgment, and performance; and
- Is otherwise qualified and eligible to receive an award under applicable laws and regulations.

Proposers should ensure that their Proposals contain sufficient information for OGB/State to make its determination by presenting acceptable evidence of the above to perform the contracted services.

1.25 Use of Subcontractors

OGB/State shall have a single prime Contractor as the result of any contract negotiation, and that prime Contractor shall be responsible for all deliverables specified in the RFP and Proposal. This general requirement notwithstanding, Proposers may enter into subcontractor arrangements, but shall acknowledge in their Proposals total responsibility for the entire contract.

If the Proposer intends to subcontract for or sublet portions of the work, the Proposer shall identify any subcontractor/sublet relationships and include specific designations of the tasks to be performed by the subcontractor. Information required of the Proposer under the terms of this RFP shall also be required for each subcontractor. The prime Contractor shall be the single point of contact for all subcontract work.

Unless provided for in the contract with OGB/State, the prime Contractor shall not contract with any other party for any of the services herein contracted without the express prior written approval of OGB/State.

1.26 Written or Oral Discussions/Presentations

OGB, at its sole discretion, may require all Proposers reasonably susceptible of being selected for the award to provide an oral presentation of how it proposes to meet OGB's program objectives. OGB reserves the right to adjust the original scores based upon information received in the presentation, using the original evaluation criteria. Commitments made by the Proposer at the oral presentation, if any, will be considered binding.

1.27 Acceptance of Proposal Content

All Proposals will be reviewed to determine compliance with administrative and mandatory requirements as specified in the RFP. Proposals that are not in compliance will be rejected from further consideration.

1.28 Evaluation and Selection

The evaluation of Proposals will be accomplished by an evaluation committee, to be designated by OGB, which will determine the Proposal most advantageous to OGB, taking into consideration price and the other evaluation factors set forth in the RFP.

1.29 Best and Final Offers (BAFO)

OGB reserves the right to conduct a BAFO with one or more Proposers identified by the evaluation committee to be reasonably susceptible of being selected for an award. If conducted, the Proposers selected will receive written notification of their selection, a list of specific items to address in the BAFO, and instructions for submittal. The BAFO negotiation may be used to assist OGB in clarifying the scope of services or to obtain the most cost effective pricing available.

The written invitation to participate in BAFO will not obligate OGB to enter into a contract.

1.30 Contract Award and Execution

OGB/State reserves the right to enter into a contract without further discussion of the Proposal submitted based on the initial offers received.

OGB/State reserves the right to contract for all or a partial list of services offered in the Proposal.

The RFP, including any addenda added, and the selected Proposal shall become part of the contract initiated by OGB/State.

The selected Proposer shall be expected to enter into a contract that is substantially the same as Attachment I, Sample Contract. A Proposer shall not submit its own standard contract terms and conditions as a response to this RFP. The Proposer should submit with its Proposal any exceptions or exact contract deviations that it wishes to negotiate. Additionally, the selected Proposer shall execute a Business Associate Addendum and a Confidentiality Agreement that are substantially the same as Attachment II and Attachment III, respectively. Negotiations may coincide with the announcement of the selected Proposer.

If the contract negotiation period exceeds twenty (20) business days or if the selected Proposer fails to sign the final contract within ten (10) business days of delivery from OGB/State, OGB/State may elect to cancel the award and award the contract to the next-highest-ranked Proposer.

1.31 Notice of Intent to Award

The Evaluation Team shall compile the scores and make a recommendation to the OGB CEO on the basis of the responsive and responsible Proposer(s) with the highest score(s).

OGB/State will notify the successful Proposer(s) in writing by “Notice of Intent to Award” letter and proceed to negotiate terms for final contract(s). The “Notice of Intent to Award” letter is the notification of the award, contingent upon approval by the Division of Administration, Office of State Procurement, and successful negotiation and execution of a written Contract. Unsuccessful Proposers will be notified in writing accordingly.

The Proposals received (except for that information appropriately designated as confidential or trade secret in accordance with La. R.S. 44.1 *et. eq.*), evaluation of Proposers’ strengths and weaknesses, including the list of criteria used and the weight assigned each criterion, and scores of each considered Proposal shall be made available, upon request, to all interested parties after the “Notice of Intent to Award” letter has been issued.

Any person aggrieved by the proposed award has the right to submit a protest in writing, in accordance with La. R.S. 39:1671, to the Director of State Procurement, within fourteen (14) days of the award/intent to award. The “Notice of Intent to Award” letter starts the protest period.

The award of a contract shall be subject to the approval of the Division of Administration, Office of State Procurement.

1.32 Right to Prohibit Award

In accordance with the provisions of La. R.S. 39:2192, any public entity shall be authorized to reject a Proposal from, or not award a contract to, a business in which any individual with an ownership interest of five percent (5%) or more, has been convicted of, or has entered a plea of guilty or nolo contendere to, any state felony or equivalent federal felony crime committed in the solicitation or execution of a contract or RFP awarded under the laws governing public contracts under the provisions of Chapter 10 of Title 38 of the Louisiana Revised Statutes of 1950, and all contracts under Title 39, Chapter 17 of the Louisiana Procurement Code, including contracts for professional, personal, consulting, and social services.

1.33 Insurance Requirements for Contractors

Contractor's Insurance: The Contractor shall not commence work under the Contract until it has obtained all insurance required herein, and Contractor shall maintain the required insurance for the duration of the Contract or as further indicated herein. The date of the inception of the policy must be no later than the first date of anticipated work under the Contract. Certificates of Insurance shall be filed with the State for approval. If so requested, the Contractor shall also submit copies of insurance policies for inspection and approval of the State before work is commenced. Contractor must provide the State thirty (30) days' prior written notice of any cancellation or reduction in coverage for any such insurance. Any such cancellation or reduction in coverage, if not approved in advance, may result in termination of the Contract.

Workers' Compensation Insurance: Before any work is commenced, Contractor must have in place and shall maintain during the life of the Contract, Workers' Compensation Insurance for all of Contractor's employees and other persons for whom Contractor is required to provide Workers' Compensation Insurance under applicable law. In case any work is sublet, Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the Contractor. Workers' Compensation Insurance shall be in compliance with the Workers' Compensation law of the state of the Contractor's headquarters. Employer's Liability Insurance shall be included with a minimum limit of \$1,000,000 per accident/per disease/per person.

Workers' Compensation Indemnity: In the event Contractor is not required to provide or elects not to provide workers' compensation coverage, the parties hereby agree that Contractor, its owners, agents, and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers' Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents, and employees. The parties further agree that Contractor is a wholly-independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, and indemnify the State of Louisiana, its departments, agencies, agents, and employees from any such assertion or claim that may arise from the performance of this Contract.

Commercial General Liability Insurance: Contractor shall maintain during the life of the Contract such Commercial General Liability Insurance, including Personal and Advertising Injury Liability, which shall protect it, and the State, its officers, trustees, employees, servants, and/or agents, from losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys' fees), and other liabilities relating to personal injury, general negligence, violation of or failure to comply with any state or federal law, regulation, or other legal mandate, and damage to real or personal tangible property to the extent caused by Contractor, its employees, officers, agents, partners or subcontractors, and which may arise from operations or services under the Contract, whether such operations or services be by Contractor or by a subcontractor, or by anyone directly or indirectly employed or procured by either of them, or in such manner as to impose liability on the State, its officers, trustees, employees, servants, and/or agents. Such insurance shall name the State of Louisiana, its officers, trustees, employees, servants, and agents as additional insureds. The amount of coverage shall be as follows: Commercial General Liability insurance, including Personal and Advertising Injury Liability, with policy limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, and Umbrella Liability insurance, with policy limits of not less than \$5,000,000 per occurrence and \$10,000,000 in the aggregate.

The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (or current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

Professional Liability (Errors & Omissions) Insurance: Contractor shall maintain professional liability insurance, which covers the professional errors, acts, or omissions of the Contractor, with minimum policy limit of \$1,000,000 for the purpose of providing coverage for claims arising out of the performance of its services under this Contract. Claims-made coverage is acceptable. Coverage shall be provided for the duration of the Contract and shall have an expiration date no earlier than thirty (30) days after the anticipated completion of the Contract. The policy shall provide an extended reporting period of not less than twenty-four (24) months, with full reinstatement of limits, from the expiration date of the policy, if the policy is not renewed.

Cyber Liability Insurance: Contractor shall have in place before commencing work under the Contract and maintain during the life of the Contract and for the extended reporting period herein, cyber liability insurance, including first-party costs, for any electronic breach that compromises the State's confidential data with a minimum policy limit of \$10,000,000 for the purpose of providing coverage for claims arising out of the performance of its services under this Contract. Claims-made coverage is acceptable. Such insurance shall name the State of Louisiana, its officers, trustees, employees, servants, and agents as additional insureds. Coverage shall be provided for the duration of this Contract and shall have an expiration date no earlier than thirty (30) days after the anticipated completion of the Contract. The policy shall provide an extended reporting period of not less than twenty-four (24) months from the expiration date of the policy, if the policy is not renewed. The policy shall not be cancelled for any reason, except non-payment of premiums.

Owned, Non-Owned and Hired Motor Vehicles: Contractor shall maintain during the life of the Contract, Automobile Liability Insurance in an amount not less than combined single limits of \$1,000,000 per occurrence for bodily injury/property damage. ISO form number CA 00 01 (or current form approved for use in Louisiana), or equivalent, is to be used in the policy. Such

insurance shall cover and include third-party bodily injury and property damage liability for any owned, non-owned, and hired motor vehicles engaged in operations within the terms of the Contract, unless such coverage is included in insurance elsewhere specified.

Subcontractor's Insurance: Contractor shall include all subcontractors performing work required by this Contract as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates of Insurance provided for any and all subcontractors, which are not protected under the Contractor's own insurance policies, of the same nature and in the same amounts as required of Contractor. Subcontractors shall be subject to all of the requirements stated herein. The State reserves the right to request copies of subcontractor's Certificates of Insurance at any time.

Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and accepted by the State. The Contractor shall be responsible for all deductibles and self-insured retentions.

Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The State, OGB, its officers, agents, employees, and volunteers shall be named as an additional insured as regards negligence by the Contractor. ISO Form CG 20 10 (or current form approved for use in Louisiana), or equivalent, is to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the State.
- b. The Contractor's insurance shall be primary as respects the State, OGB, its officers, agents, employees, and volunteers. Any insurance or self-insurance maintained by the State/OGB shall be excess and non-contributory of the Contractor's insurance.
- c. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the State/OGB, its officers, agents, employees, and volunteers.
- d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.

2. Workers' Compensation and Employer's Liability Coverage

The insurer shall agree to waive all rights of subrogation against the State/OGB, its officers, agents, employees, and volunteers for losses arising from work performed by the Contractor for the State/OGB under the Contract.

3. All Coverages

- a. Coverage shall not be cancelled, suspended, or voided by either the Contractor or the insurer or reduced in coverage or in limits, except after 30 days' written notice has been given to the OGB/State. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy.

- b. Neither the acceptance of the completed work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the OGB/State for payment of premiums or for assessments under any form of the policies.
- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the State/OGB, its officers, agents, employees, and volunteers.

Acceptability of Insurers: All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction(s) in which the Project is performed. Insurance shall be placed with insurers with a A.M. Best's rating of A-:VI or higher. This rating requirement may be waived for worker's compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of Insurance as required in the Contract.

Verification of Coverage: Contractor shall furnish the OGB/State with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the OGB/State before work commences and upon any Contract renewal thereafter.

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision endorsement for each insurance policy. The OGB/State reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver, or maintain such insurance as above provided, the Contract, at the election of the OGB/State, may be suspended, discontinued, or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the Contract.

1.34 Indemnification and Limitation of Liability

- (a) Contractor shall be fully liable for its own actions and its agents, employees, partners and subcontractors and shall fully protect, defend, and indemnify the State, all State departments, Agencies, Boards, and Commissions (collectively the "State"), its officers, trustees, employees, servants, subcontractors, agents, and volunteers from any and all losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys' fees), and other liabilities of every name and description relating to personal injury or death to any person or damages, loss, or destruction of any real or tangible property which may occur, or in any way arise out of, any act or omission, and any violation of or failure to comply with any state or federal law, or other legal or Contract requirement (collectively, "Claim/Cost") to the extent caused by Contractor, its agents, employees, partners or subcontractors; provided, however, that Contractor shall not be required to indemnify for that portion of any Claim/Cost arising hereunder due solely to the negligent or intentional act or failure to act of the State.

- (b) Contractor shall fully protect, defend, and indemnify, the State, its officers, trustees, employees, servants, subcontractors, agents, and volunteers from and against all adverse federal and state tax consequences, loss, liability, damage, expense, attorneys' fees or other obligations resulting from, or arising out of, any act or omission by Contractor in connection with other obligations resulting from or arising out of any premium charge, tax, or similar assessment by federal, state, and local governmental authorities, for which Contractor is liable.
- (c) If applicable, Contractor will protect, defend, and indemnify, the State, its officers, trustees, employees, servants, subcontractors, agents, and volunteers, from and against all losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys' fees), and other liabilities of every name and description (collectively, "Claim/Cost") which may be assessed against the State, its officers, trustees, employees, servants, subcontractors, agents, and volunteers in any action for infringement of a United States Letter Patent with respect to the products furnished, or of any copyright, trademark, trade secret or intellectual property right, in relation to this contract provided that the State shall give Contractor: (i) prompt written notice of any action, claim or threat of infringement suit, or other suit; (ii) the opportunity to take over, settle or defend such Claim/Cost at Contractor's sole expense; and (iii) reasonable assistance in the defense of any such action at the expense of Contractor. Where a Claim/Cost arises relative to a real or anticipated infringement, the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers, may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as to such infringement claim as the State deems necessary.
- (d) Contractor agrees to indemnify and defend the State from all Claims/Costs relating to Contractor's or its subcontractors' fault or negligence, including, but not limited to, any claims relating to the failure of Contractor to provide services or fulfill obligations as specified in this contract due to financial hardship or insolvency.
- (e) Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent.
- (f) In addition to the foregoing remedies for patent infringement Claims/Costs, if the use of the product, material, or service or part(s) thereof shall be enjoined for any reason or if Contractor believes that such use may be enjoined, Contractor shall have the right, at its own expense and sole discretion to take action in the following order of precedence: (i) to procure for the State the right to continue using such product, material, or service or part(s) thereof, as applicable, under the same terms and conditions as provided in this contract; (ii) to modify the product, material, or service so that it becomes a non-infringing product, material, or service of at least equal quality and performance, in the State's sole opinion; (iii) to replace the product, material, or service or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, in the State's sole opinion; or (iv) if none of the foregoing is commercially reasonable, provide monetary compensation to the State.

- (g) The State may, in addition to other remedies available to the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers at Law or equity and upon notice to Contractor, retain such monies from amounts due Contractor as may be necessary to satisfy any claim for damages, fines, penalties, judgments, assessments, expenses, obligations (including attorneys' fees), and other liabilities asserted by or against the State, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers, for which Contractor owes indemnification and/or defense pursuant to this Section.

1.35 Payment

1.35.1 Payment Terms

In consideration of the services required by the contract, OGB/the State hereby agrees to pay to Contractor a maximum fee to be determined after contract award and negotiation for work performed during the term of the contract. This fee is inclusive of travel and all contract-related expenses. The payments are predicated upon successful completion and written approval by OGB of the described services and deliverables as provided in the contract. Contractor will not be paid more than the maximum amount of the contract. **No payments will be made by OGB on banking or State holidays.**

The methods of payment may be via EVP, a method that converts check payments to a Visa credit card account with unique security features and electronic remittance notifications, EFT, a method in which payment is sent directly from the State's bank to the payee's bank, or wire transfer, a same day electronic funds transfer from OGB/State's bank account to the payee's bank account. See Attachment VIII, Electronic Vendor Payment Solution, for additional information regarding electronic payment methods and registration.

Contractor will submit detailed monthly invoices due on the 20th of each month documenting the activities performed and the status of outstanding deliverables. Upon approval of each submitted invoice by OGB's Chief Executive Officer or designee, OGB/State will render payment of undisputed amounts within thirty (30) days. Payment will be made via Electronic Funds Transfer ("EFT"), a method in which payment is sent directly from the State's bank to the Contractor's bank.

1.36 Termination of the Contract for Cause

The State may terminate the Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract provided that the State shall give Contractor written notice specifying Contractor's failure. If within thirty (30) days after receipt of such notice, Contractor shall not have corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct such failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place Contractor in default and the Contract shall terminate on the date specified in such notice.

Provided Contractor is not in breach of the Contract, Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of the State to comply with the terms and conditions of the Contract, provided that Contractor shall give the State written notice specifying the State's failure, provided the failure of the State does not result from force majeure or fault of Contractor, its agents, or representatives, and further provided that Contractor shall give the State a reasonable opportunity for the State to cure the defect.

1.36.1 Termination of the Contract for Convenience

The State may terminate the Contract at any time by giving thirty (30) days' written notice to Contractor of such termination or negotiating with Contractor an effective date. Contractor shall be entitled to payment for services completed prior to receipt of such notice and deliverables in progress, to the extent work has been performed satisfactorily.

1.36.2 Termination for Non-Appropriation of Funds

The continuation of this Contract is contingent upon the appropriation of funds by the Louisiana Legislature to fulfill the requirements of the Contract. If the Legislature fails to appropriate sufficient monies to provide for the continuation of the Contract, or if such appropriation is reduced or eliminated by the veto of the Governor or by any means provided in the Appropriations Act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the Contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

1.37 Assignment

Contractor shall not assign any interest in the Contract by assignment, transfer, novation, or otherwise, without prior written consent of the State of Louisiana, Commissioner of Administration. This provision shall not be construed to prohibit Contractor from assigning his bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment, novation, or transfer shall be furnished promptly to the State.

1.38 Right to Audit

The State Legislative Auditor, federal auditors, internal auditors of the Division of Administration and its designated agents, OGB, or others so designated by OGB/State shall be entitled to audit all accounts, procedures, matters, and records of any Contractor or subcontractor under any negotiated Contract or subcontract directly pertaining to the Contract for a period of five (5) years after final payment under the Contract and by the subcontractor for a period of five (5) years from the date of final payment under the subcontract, or such longer period as required by applicable state and federal law. Records, including direct read access to databases and all tables, shall be made available during normal business hours for this purpose.

OGB/State has the right to hire an independent third-party auditor, if OGB deems necessary, to review all accounts, procedures, matters, and records, and Contractor and/or subcontractor shall provide access to all files, information system access, and space access upon request of OGB/State for the third-party auditor selected to perform the indicated audit.

In the event that an examination of records results in a determination that previously paid invoices included charges which were improper or beyond the scope of the Contract, Contractor agrees that the amounts paid to the Contractor shall be adjusted accordingly, and that the Contractor shall within thirty (30) days thereafter issue a remittance to OGB/State of any payments declared to be improper or beyond the scope of the Contract. In combination therewith, or alternatively, OGB/State may offset the amounts deemed improper or beyond the scope of the Contract against Contractor's outstanding invoices, if any.

1.39 Compliance with Laws

Contractor agrees to abide by the requirements of the following as applicable: Title VI of the Civil Rights Act of 1964 and Title VII of the Civil Rights Act of 1964, as amended by the Equal Employment Opportunity Act of 1972, Federal Executive Order 11246, as amended, the Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran's Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Discrimination Act of 1975, the Fair Housing Act of 1968 as amended, and the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, national origin, veteran status, political affiliation, disability, or age in any matter relating to employment. Any act of discrimination committed by Contractor, or failure to comply with these statutory obligations when applicable, shall be grounds for termination of this Contract.

1.40 Record Ownership

All records, reports, documents, or other material related to the Contract, delivered or transmitted to the Contractor by OGB or its employees, agents, or authorized vendors, and/or obtained or prepared by Contractor or its subcontractors in connection with the performance of the services under the Contract shall become the property of OGB/State and are referred to herein as "Records."

Contractor agrees to retain all Records in accordance with all state and federal laws and regulations. Further, Contractor agrees to retain all Records in accordance with OGB's official retention schedules (the "Schedules"), Attachment VI, until such time as the Records are returned to OGB/State or other disposition is agreed. In the event the applicable Law and the Schedules contain different retention periods, the Records shall be kept for the longer period. Records shall be in a format and media as required by applicable Law, or as agreed upon by the parties in writing, if allowed by Law. The Schedules in place as of the effective date of this Contract are contained in Attachment VI, Records Retention Schedule, and may be amended from time to time as deemed necessary by OGB. To further ensure compliance with the Schedules and Louisiana retention laws and rules, Contractor agrees to abide by the processes outlined in Attachment VII, Imaging System Survey Compliance and Records Destruction. Contractor shall return the Records to OGB/State, at Contractor's expense, within seven (7) days of request or in the specific instance of termination or expiration of the Contract, within sixty (60) days after the termination or expiration of the Contract, and shall retain no copies of the Records, unless required by applicable Law.

1.41 Entire Agreement/Order of Precedence

The Contract, together with the RFP and addenda issued thereto by OGB/State, the Proposal submitted by the Contractor in response to the RFP, and any exhibits specifically incorporated herein by reference, shall constitute the entire agreement between the parties with respect to the subject matter.

In the event of any inconsistent or incompatible provisions, the signed Contract (excluding the RFP and the Contractor's Proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor's Proposal.

1.42 Contract Modifications

No amendment or variation of the terms of the Contract shall be valid unless made in writing, signed by the parties and approved as required by applicable Law. No oral understanding or agreement not incorporated in the Contract shall be binding on any of the parties.

1.43 Substitution of Personnel

The Contractor's personnel assigned to the Contract shall not be replaced without the prior written consent of the State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event any Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to projects outside the Contract, outside of the Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in providing services. When possible, Contractor will give OGB a minimum of sixty (60) days' advance written notice of any changes in OGB's account management team, and a description of the training for new team members. Reasonable exceptions would apply in situations beyond Contractor's control (i.e., resignation/termination with less than sixty (60) days' notice). OGB reserves the right to request changes to any of the assigned personnel based on unsatisfactory performance levels as determined by OGB. Additionally, OGB will be provided with the opportunity to interview any new team member(s).

1.44 Governing Law

The Contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code, as applicable), to the extent that federal law does not preempt state law, purchasing rules and regulations, executive orders, standard terms and conditions, special terms and conditions, and specifications listed in the RFP. Venue of any action brought with regard to this Contract shall be in the Nineteenth Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

1.45 Claims or Controversies

Any claim or controversy arising out of the Contract shall be resolved by the provisions of La. R.S. 39:1672.2-1672.4.

1.46 Code of Ethics

Proposers shall be responsible for determining that there will be no conflict or violation of the Louisiana Ethics Code if awarded the Contract. The Louisiana Board of Ethics shall be the only entity which can officially rule on ethics issues.

1.47 Corporate Requirements

If the Contractor is a corporation not incorporated under the laws of the State of Louisiana, Contractor shall have obtained a certificate of authority pursuant to La. R.S. 12:301-302 from the Louisiana Secretary of State. If the Contractor is a for-profit corporation whose stock is not publicly traded, the Contractor shall ensure that a disclosure of ownership form has been properly filed with the Louisiana Secretary of State.

2 SCOPE OF SERVICES

2.1 *Scope of Services*

Contractor shall provide competent and qualified staff to work on the scope of services under the Contract. All non-actuaries must work under the supervision of the primary actuary to perform actuarial-related tasks and/or services.

2.2 *Task and Services*

The Contractor will be responsible for successfully transitioning (in conjunction with OGB and the incumbent contractor) to being the Contractor responsible for completing all required services. Other entities serviced by OGB's health and welfare program may request that the Contractor enter into a confidentiality agreement or other similar agreement as relates to the sharing of certain data needed to perform the services described herein.

The Contractor will be responsible for ensuring the accuracy, timeliness, and completion of all tasks assigned under the contract. OGB reserves the right to modify or delete the scopes and services listed and, if appropriate, add additional tasks and services prior to and during the term of the contract, subject to the approval of the OGB CEO, Office of State Procurement, and any other approval authorized by Law.

The Contractor shall perform the following tasks and services:

Task (1): Implementation/Transition of Services

- Work with OGB and incumbent contractor to transfer competencies and operational expertise.
- Possess appropriate software and/or system(s) to accept electronic claims data from the health plan third-party medical claims administrator, pharmacy benefits manager and/or any other vendor specified by OGB.
- Facilitate system programming including, but not limited to, data collection from OGB; file transfer set-up between OGB and Contractor; and data transfer and mapping. If Contractor requires file mapping and/or subsequent updates, this service will be provided by Contractor at no additional cost to OGB. **All files must be sent electronically using Secure File Transfer Protocol ("SFTP") and encrypted using Pretty Good Privacy ("PGP") with an annually expiring key.**
- Ensure successful and timely completion of all tasks necessary to begin performance of the contract of January 1, 2018, 12:00 am CST.

Task (2): Projections

- Prepare forecasts of expected claims, develop overall health and pharmacy trends, estimate incurred but not reported ("IBNR") amounts to assure OGB has established adequate reserves each fiscal year and estimate the present value of current reserves for claims.
- As required, model plan costs and be prepared to: 1) Aggregate and sort data into meaningful analysis categories for the purposes of assessing total health plan costs as well as employer and employee contributions; 2) Provide actuarially-based projections for plan alternatives under variable enrollment assumptions, contribution strategies and benefit

design changes; and/or 2) Evaluate the cost impact of changes in plan design and recommend cost-saving changes.

- Analyze the impact of the Patient Protection and Affordable Care Act, the American Health Care Act, or any such proposed or actual comparable or replacement Act on health plan costs and benefit requirements.
- Monitor actual income and expenses against projections and advise OGB of any significant variations. Contractor will also advise OGB on the establishment of alternate mechanisms to equalize the risks and/or costs among the plans offered.
- Prepare cost projections for annual premium rate adjustments and/or fiscal impact of benefit modifications.

Task (3): Premium Rate Setting

- Develop actuarially-sound rates for health plan benefits and alternative plan options annually.
- Review the adequacy of contribution rates in relation to all expenses of the health plan.
- Provide assistance concerning the health plan rate-setting methodology to OGB as necessary. Assistance includes, but may not be limited to, statistical data analysis and litigation support if it involves rates or rate setting. All reports and rate setting methodologies are subject to approval.
- Assist in answering any and all rate-related questions.
- Calculate rates for all classes of coverage and rate tiers for employees, retirees, and COBRA beneficiaries using the contribution allocations authorized by law.
- Provide actuarial consultation on pharmacy plan and utilization and formulary plan design.
- Incorporate federal requirements, including but not limited to those required by the Patient Protection and Affordable Care Act as well as any other applicable proposed or final federal laws and regulations, into health plan rates, and assist OGB in reporting and reconciliation of such requirements.
- Provide premium risk rates for incoming entities initially and for subsequent participating years, as needed. If necessary, develop separate premiums for incoming entities if risk rating does not warrant use of current OGB premiums.

Task (4): Risk Adjustments

- Assist in the development and ongoing implementation of a risk adjustment methodology for measuring and tracking the health of the population over periods of time.
- Develop initial individual risk scores based on the health recipients using the diagnostic data captured within the relevant claims and encounter data.
- Develop risk plan scores based on the individual risk scores and enrollment data to assign plan participants to the appropriate plan.

- Provide periodic updates of risk adjustments.

Task (5): Data Quality

- Perform reasonable reliability and validity checks not requiring an audit on all health rate development data provided by OGB and its benefit administrators. Contractor will work directly with OGB and its benefit administrators to collect the data and provide guidance to assist in resolving any reliability and validity problems identified.
- Provide an actuarial analysis of claims encounter data collected from OGB and/or its benefit administrators.
- Evaluate and validate encounter data completeness for risk adjustment calculation purposes.

Task (6): Audits

- Perform annual performance audits of selected contractor(s) deliverables as defined by OGB, such as the health plan third-party administrator and pharmacy benefit manager, to include, but not limited to: 1) Rebates – review and compare estimated and gross rebates received to the actual paid amounts to OGB; 2) Network – review actual reimbursements against contractual discounts; and 3) Claims – review actual claims paid and compare to the benefit plan to ensure benefits are paid according to the plan design.

Task (7): Reporting

- Prepare quarterly Medical Expense Review (MER) reporting that details cost trends within the plan(s), identifies the causes, and provides detailed financial analysis of each recommended corresponding corrective action. Corrective actions shall be made available within fifteen (15) calendar days of such request. Additionally, MER reporting shall consist of detailed spending trend and run rate details by health care delivery service line.
- Prepare an Other Post-Employment Benefit (“OPEB”) valuation in accordance with Governmental Accounting Standards Board (GASB) 75 and any other liability disclosures as necessary. This includes, but not limited to, the valuation for the net OPEB obligation, deferred inflow and outflow of resources related to OPEB, the valuation information required for the GASB 75 note disclosures, and required supplemental information. The reporting format must be approved by the Office of Statewide Reporting & Accounting Policy (“OSRAP”).
- Provide reports, data sets, analysis, and documents relevant to the rate-setting process and calculations in the format(s) specified by OGB at the time of request. Contractor shall be required to accept and process electronic documents and files in the electronic media format(s) specified by OGB.
- Review pending legislation and provide fiscal and operational impact reporting. To the extent possible, the fiscal and operational impact reporting should include commentary on the impact of the proposed legislation on the administration of the self-funded health plans. Typically, this type of analysis must be completed within forty-eight (48) hours of request.

- Develop and provide ad hoc reports as deemed necessary by OGB.

Task (8): Participation in Meetings and Work Groups

- Attend up to twelve (12) board meetings annually in Baton Rouge, Louisiana.
- Participate in legislative committees meetings, estimating conferences, and/or any other meetings requested by OGB. Meetings may be scheduled on very short notice and will be onsite in Baton Rouge, Louisiana.
- Available either in person or by phone daily Monday through Friday between the hours of 7:30 AM and 6:00 PM CST to discuss actuarial matters and any other pressing issues.
- Available in person within seventy-two (72) hours of such request, seven (7) days a week, during any State Legislative Session to discuss and testify on actuarial matters and any other pressing issues.

Task (9): Procurement

- Assist OGB in the development of documentation needed for competitive procurements, benefit designs, contracts, return on investment (“ROI”) projections, budget projections for new programs and existing programs, in accordance with applicable law and regulations.
- Analyze financial data (i.e., calculation of discount savings and rebates, claims re-pricing, etc.), benefit designs, and/or network disruption submitted in response to competitive procurements.

Task (10) General Services

- Evaluate OGB’s compliance with the Patient Protection and Affordable Care Act and any other applicable proposed and final federal and state laws and regulations.
- Provide actuarial opinions and testimony on reimbursement methodology and benefit plans that have actuarial value in accordance with the principles and guidelines of the American Academy of Actuaries.
- Provide annual innovative strategic recommendations on plan administration and plan design to mitigate rising costs and maintain member value.
- Provide rate certification, benchmark letters, and related documents as prescribed by OGB.
- Provide supporting documentation, formulas, explanations, and offer mechanisms to verify the accuracy of analyses, reporting, and/or tasks performed as requested by OGB.
- Work with any successor appointed by OGB to successfully transition all non-proprietary data, methodologies, documentation, and ongoing projects.
- Provide other related assistance as requested by OGB.

2.3 Deliverables

The Contractor shall provide the following deliverables:

- Prepare and submit an assessment report of OGB's plans within thirty (30) calendar days of the effective date of the contract and as requested by OGB thereafter. The format and content of report are subject to OGB approval.
- Prepare and submit Medical Expense Review (MER) reporting that details cost trends within the plan(s), identifies the causes, and provides detailed financial analysis of each recommended corresponding corrective action within thirty (30) calendar days after the close of each quarter. Additionally, MER reporting shall also consist of detailed spending trend and run rate details by health care delivery service line. Corrective actions shall be made available within fifteen (15) calendar days of such request.
- Prepare and submit rates for all classes of coverage and rate tiers for employees, retirees, and COBRA beneficiaries using the contribution allocations authorized by law within the timeframe specified by OGB at the time of request.
- Contractor and its subcontractors performing key delegated functions shall each supply OGB with a copy of the annual Service Organization Control (SOC 2), Type II report resulting from SSAE 16 engagement or Third Party Information Security Questionnaire no later than September 30 of each calendar year.
- Conduct an annual OGB satisfaction survey and report results to OGB within thirty (30) calendar days after the end of each calendar year.
- Prepare and submit an OPEB valuation in accordance with Governmental Accounting Standards Board (GASB) 75 within one hundred fifty (150) calendar days after the close of each calendar year.
- Prepare and submit an Excel spreadsheet listing the OPEB liability, the related OPEB deferred inflows, deferred outflows, OPEB expense, and other related OPEB accounts by agency within one hundred fifty (150) calendar days after the close of each calendar year. The reporting format must be approved by OSRAP.
- Develop and submit a transition plan to OGB ninety (90) calendar days prior to the scheduled termination date of the contract unless OGB advises otherwise.
- Prepare and submit the respective audit report for each annual performance audit conducted for OGB's benefit administrators and/or any other selected contractor(s) as defined by OGB within thirty (30) days of completion of said audit.
- Prepare and submit to OGB an actuarial certification, which states that current state and federal laws, rules, and regulations regarding rate setting were complied with (as necessary) and include a detailed description of the rate setting methodology, including all necessary assurances, explanations, and any other materials as requested.
- Provide written notice to OGB of an actuarial error included in any deliverable submissions, work products, etc., within twenty-four (24) hours after the Contractor's discovery. The notice shall include a detailed description of the error, including its scope and severity, along with a corresponding corrective action plan.
- Develop and provide ad hoc reports, analyses, and any other supporting documents within

the timeframe specified by OGB at the time of request.

2.4 Technical Requirements

NOT APPLICABLE TO THIS CONTRACT

2.5 Project Requirements

OGB will designate an OGB Contract Supervisor to the contract that will serve as the primary point of contact for the Contractor. The Contractor shall be the single point of contact for all subcontract work.

3 EVALUATION

3.1 Evaluation and Review

Proposals that pass the mandatory requirements review, Section 1.8.1 Mandatory Qualifications, will be evaluated based on information provided in the Proposal according to the following criteria:

CRITERIA	MAXIMUM SCORE
PHASE 1: TECHNICAL APPROACH	
Approach and Methodology	35
Corporate Background and Experience	15
Staff Qualifications	10
Veteran and Hudson Initiative	10
TECHNICAL APPROACH SCORE	70
PHASE 2: COST PROPOSAL	
Maximum Monthly Fee	15
Best Value per 100 Hours	15
COST PROPOSAL SCORE	30
TOTAL SCORE	100

Phase 1 – Technical Approach

Approach and Methodology

- Demonstrated effectiveness of Proposer’s approach and methodology to performing the various services outlined in Section 2, Scope of Services.
- Ability to address anticipated problem areas, creativity and feasibility of solutions to problems, and future integration of new procedures and technology.
- Effectiveness of Proposer’s approach to transitioning activities from the incumbent contractor.
- Quality, depth, and completeness of the project work plan.
- Understanding of the work, including a thoroughness shown in understanding the objectives of the Scope of Services (Section 2) and specific services and planned execution of the project.

Corporate Background and Experience

- Effectiveness of the proposed organization.
- Evidence that the organization has the current capabilities and can assure performance for this requirement.
- Results of the organization's last internal controls and security audit included in the SOC 2, Type II report submission and/or the State's Third Party Information Security Questionnaire. **Note: The evaluation committee may assign greater points to the results rendered by the independent auditor in the SOC 2, Type II report.**
- Demonstration of successful past experience, including Proposer and any subcontractor(s), that is similar to that necessary to perform services included in Section 2, Scope of Services with public entity accounts.

Staff Qualifications

- Effectiveness of the proposed staffing plan.
- Current and relevant knowledge, quality and depth of experience of the project manager, primary actuary, and any other personnel considered key to the success of the project through completed and ongoing efforts similar in nature to this effort.

Veteran and Hudson Initiative

Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Participation (Value of 10% of the total evaluation points)

Ten percent (10%) of the total evaluation points on this RFP are reserved for Proposers who are a certified Veteran or Hudson Initiative small entrepreneurship or who will engage the participation of one or more certified Veteran or Hudson Initiative small entrepreneurship as subcontractors.

Reserved points shall be added to the applicable Proposer's evaluation score as follows:

Proposer Status and Reserved Points:

- Proposer is a certified small entrepreneurship: Full amount of the reserved points
- Proposer is not a certified small entrepreneurship but has engaged one or more certified small entrepreneurship to participate as subcontractors or distributors. Points will be allocated based on the following criteria:
 - Number of certified small entrepreneurship to be utilized
 - Experience and qualifications of the certified small entrepreneurship(s)
 - Anticipated earnings to accrue to the certified small entrepreneurship(s)
 - Percent of work allocated to the certified small entrepreneurship(s) pursuant to the resulting contract award

Phase 2 – Cost

Cost Proposals for all Proposers will be evaluated and an absolute score calculated. Points will be assigned for cost using a calculation-based evaluation process based on the cost (inclusive of travel and all contract-related expenses) submitted by each Proposer on the Attachment IV: Cost Proposal Template.

Each cost component (i.e., Maximum Monthly Fee and Best Value per 100 Hours) of the Cost Proposal will be scored separately using the following methodology:

1. The lowest Proposal will receive 100% of the available points for the cost component.
2. Remaining Proposals will receive points based on application of the following formula:

$\text{Cost Points} = (\text{Cost of Lowest Cost Proposal for the cost component} / \text{Cost of Proposal Being Evaluated for the cost component}) * \text{Total Points Available for the cost component}.$

Scores for the two (2) cost components will be added together to determine the total Cost Proposal score.

4 PERFORMANCE STANDARDS

4.1 Performance Requirements

See Section 2, Scope of Services

4.2 Performance Measurement/Evaluation/Monitoring Plan

Performance Guarantees:

The following performance guarantees are the minimum acceptable standards for the contract. These metrics shall be reported quarterly and reconciled on an annual basis unless another time period is agreed to between OGB and Contractor.

Performance Measure	Performance Standard	Performance Guarantee (Percent at Risk Annually)
Independent Assurances	Contractor shall supply OGB with an exact copy of the SOC 2, Type II report resulting from the SSAE 16 engagement or the State's Third Party Information Security Questionnaire beginning September 30, 2018, and each calendar year thereafter.	\$1,000 per day
Actuarial Errors	At OGB's discretion, for each occurrence of a significant actuarial error (i.e., risk adjustment, rate certification, etc.) for the monetary penalties set forth. Monetary penalties shall escalate by occurrence over the term of this contract. Any penalty assessed shall not constitute a cap and shall not limit the liability of Contractor under the contract.	<u>Occurrences 1-2:</u> \$25,000 penalty assessment per error <u>Occurrences 3-4:</u> \$50,000 penalty assessment per error <u>Occurrence 5 and beyond:</u> \$75,000 penalty assessment per error

Performance Measure	Performance Standard	Performance Guarantee (Percent at Risk Annually)
OGB Account Satisfaction	Satisfaction rate must be 90% or greater, using metrics mutually agreed by Contractor and OGB prior to the start of each calendar year.	20%

Monitoring Plan:

The Contract Supervisor will be the Chief Executive Officer who will monitor the services and performance provided by the Contractor and the expenditure of funds under this contract. The monitoring plan is as follows:

1. The Contractor will submit various monthly, quarterly, and annual reports to the Contract Supervisor as specified in RFP Section 2, Scope of Services.
2. The Contract Supervisor will work to ensure all deliverables are submitted timely and perform subsequent review and acceptance.
3. The Contract Supervisor will provide oversight of the implementation of the Scope of Services to ensure quality, efficiency, and effectiveness in fulfilling the goals and objectives of OGB.

4.3 Veteran-owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Reporting Requirements

During the term of the contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor participation and the dollar amount of each.

ATTACHMENT I: SAMPLE CONTRACT

On this _____ day of _____, 2017, the State of Louisiana, Office of Group Benefits, 1201 N. 3rd Street, Suite G-159, Baton Rouge, LA 70802, hereinafter sometimes referred to as the “OGB” or “State”, and (Contractor Name), (Address), hereinafter sometimes referred to as the “Contractor,” do hereby enter into a Contract under the following terms and conditions.

1 SCOPE OF SERVICES

1.1 CONCISE DESCRIPTION OF SERVICES

(Contractor Name) shall provide actuarial services to facilitate administration and management of the health and welfare programs offered by OGB/State. These services shall include, at a minimum, all services specified in Section 1.2 and the attachments referenced therein.

1.2 STATEMENT OF WORK

The Statement of Work consists of the following and/or any subsequent addendum:

Attachment I: See RFP Section 2, Scope of Work/Services

Attachment II: See RFP Attachment II, Business Associate Addendum

Attachment III: See RFP Attachment III, TRSL Confidentiality Agreement

Attachment IV: See RFP Attachment IV, Cost Proposal Template

Attachment V: See RFP Attachment VI, Records Retention Schedule

Attachment VI: See RFP Attachment VII, Imaging System Survey Compliance and Records Destruction

Attachment VII: See RFP Attachment VIII, Electronic Vendor Payment Solution

Attachment VIII: See RFP Attachment IX, Third Party Security Information Questionnaire

1.3 GOALS AND OBJECTIVES

1. To assist OGB in providing health and welfare programs that are actuarially cost effective.
2. To establish a contract with a qualified person/firm that possesses the knowledge, skill, experience, and credentials necessary to assist OGB in administration and management of its health and welfare programs.

1.4 PERFORMANCE MEASURES

The performance of the Contract, including but not limited to RFP Section 2, Scope of Services, and/or any subsequent addendum including performance criteria and corresponding monetary penalties for Contractor’s failure to comply with the identified criteria in Section 3.5, Performance Guarantees, will be measured by the OGB Contract Supervisor. The OGB Contract Supervisor is authorized to evaluate the Contractor’s performance against these criteria.

1.5 MONITORING PLAN

The Contract Supervisor will be the OGB Chief Executive Officer, who will monitor the services and performance provided by the Contractor and the expenditure of funds under this Contract. The monitoring plan is as follows:

1. The Contractor will submit various monthly, quarterly, and annual reports to the Contract Supervisor as specified in RFP Section 2, Scope of Services.
2. The Contract Supervisor will work to ensure all deliverables are submitted timely and perform subsequent review and acceptance.
3. The Contract Supervisor will provide oversight of the implementation of the Scope of Services to ensure quality, efficiency, and effectiveness in fulfilling the goals and objectives of OGB.

1.6 PROJECT MANAGEMENT

Project Management is as follows:

- A. Account Management Team.** Contractor will provide an account management team for the duration of the engagement including a project manager, primary actuary, and any other personnel considered key to the success of the project.
- B. Substitution of Key Personnel.** The Contractor's personnel assigned to this Contract shall not be replaced without the prior written consent of OGB/State. Such consent shall not be unreasonably withheld or delayed provided an equally qualified replacement is offered. In the event that any Contractor personnel become unavailable due to resignation, illness, or other factors, excluding assignment to projects outside this Contract, outside of the Contractor's reasonable control, as the case may be, the Contractor shall be responsible for providing an equally qualified replacement in time to avoid delays in providing services. When possible, Contractor will give OGB a minimum of sixty (60) days' advance notice of any changes in OGB's account management team, and a description of the training requirements for new team members. Reasonable exceptions would apply in situations beyond Contractor's control (i.e., resignation/termination with less than 60 days' notice). OGB reserves the right to request changes to any of the assigned personnel based on unsatisfactory performance levels as determined by OGB. Additionally, OGB will be provided with the opportunity to interview any new team member(s).
- C. Account Management Team Support.** The account management team will provide support around account strategy, issue resolution, reports and other requested projects and deliverables.
- D. Coordination with other OGB Vendor(s).** Contractor will coordinate and cooperate with OGB's other administrative services provider(s) for OGB's self-insured medical plans, pharmacy benefit manager, and other vendors as needed on integration of information to or from other service providers relative to the services addressed in this Contract.

1.7 DELIVERABLES

The Contract will be considered complete when Contractor has delivered and OGB has accepted all deliverables specified in the Contract.

1.8 VETERAN-OWNED AND SERVICE-CONNECTED SMALL ENTREPRENEURSHIPS (VETERAN INITIATIVE) AND LOUISIANA INITIATIVE FOR SMALL ENTREPRENEURSHIPS (HUDSON INITIATIVE) PROGRAMS REPORTING REQUIREMENTS

During the term of the Contract and at expiration, the Contractor will be required to report Veteran-Owned and Service-Connected Disabled Veteran-Owned and Hudson Initiative small entrepreneurship subcontractor or distributor participation and the dollar amount of each.

2 DEFINITIONS

Contractor – Denotes the successful Proposer who is awarded a Contract and assumes full responsibility and liability for completion of the deliverables.

FSA – Denotes Fellow of the Society of Actuaries.

HIPAA – Denotes Health Insurance Portability and Accountability Act.

JLCB – Denotes Joint Legislative Committee on the Budget.

MAAA – Denotes Member of the American Academy of Actuaries.

OGB CEO – Denotes the Office of Group Benefit's Chief Executive Officer.

OSP – Denotes Office of State Procurement.

Proposal – Denotes a response to a RFP.

Proposer – Denotes an individual or organization submitting a proposal in response to a RFP.

RFP – Denotes a Request for Proposals.

Shall, Must, Will – Denotes a mandatory requirement.

Should, May, Can – Denotes an advisable or permissible action.

State- The State of Louisiana.

3 ADMINISTRATIVE REQUIREMENTS

3.1 TERM OF CONTRACT

The term of any Contract resulting from this RFP shall begin on or about January 1, 2018, and is anticipated to end on December 31, 2020. With all proper approvals and concurrence with the successful Contractor, OGB may also exercise an option to extend the Contract for up to twenty-four (24) additional months at the same rates, terms and conditions of the initial Contract term. Prior to the extension of the Contract beyond the initial thirty-six (36)-month term, prior approval by the Joint Legislative Committee on the Budget (JLCB) and/or other approval authorized by law shall be obtained. Such written evidence of JLCB approval shall be submitted, along with the Contract amendment to the Office of State Procurement (OSP) to extend Contract terms beyond the initial three (3)-year term. The total Contract term, with

extensions, shall not exceed five (5) years. The continuation of this Contract is contingent upon the appropriation of funds by the legislature to fulfill the requirements of the Contract.

3.2 OGB FURNISHED RESOURCES

OGB shall appoint a Contract Supervisor for this Contract who will provide oversight of the activities conducted hereunder. The assigned Contract Supervisor shall be the principal point of contact on behalf of OGB and will be the principal point of contact for the Contractor concerning Contractor's performance under this Contract.

3.3 TAXES AND FEES

Contractor is responsible for payment of all taxes and fees on Contractor's income, property, and entity status (i.e., permits, licenses, etc.). Contractor's federal tax identification number is _____.

3.4 PAYMENT TERMS

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee to be determined after contract award and negotiation for work performed during the term of this Contract. This fee is inclusive of travel and all contract-related expenses. Payments are predicated upon successful completion and written approval by OGB of the described services and deliverables as provided in the Contract. Contractor will not be paid more than the maximum amount of the Contract. No payments will be made by OGB on banking or State holidays.

The methods of payment may be via EVP, a method that converts check payments to a Visa credit card account with unique security features and electronic remittance notifications, EFT, a method in which payment is sent directly from the State's bank to the payee's bank, or wire transfer, a same day electronic funds transfer from OGB's bank account to the payee's bank account. See Attachment VIII, Electronic Vendor Payment Solution, for additional information regarding electronic payment methods and registration.

Contractor will submit detailed monthly invoices due on the 20th of each month documenting the activities performed and the status of outstanding deliverables. Upon approval of each submitted invoice by OGB's Chief Executive Officer or designee, OGB will render payment of undisputed amounts within thirty (30) days. Payment will be made via Electronic Funds Transfer ("EFT"), a method in which payment is sent directly from the State's bank to the Contractor's bank.

3.5 PERFORMANCE GUARANTEES

Contractor agrees to provide its operational performance guarantees on a client-specific basis and report OGB's results on a monthly basis. OGB shall have the ability to modify the performance guarantees each Contract year; however, twenty percent (20%) of the fees payable under the Contract will remain at risk, and the guarantees also expose Contractor to per day and per occurrence penalties for certain actions or inactions.

All guarantees must be reconciled annually and any penalties owed to OGB shall be paid within sixty (60) calendar days after the end of the calendar year.

Performance Guarantees: The Contractor will be subject to negotiated performance standards and those detailed in RFP Section 4, Performance Measurement/Evaluation/Monitoring Plan.

Audit: OGB reserves the right to audit performance guarantee reports on an annual basis. A third party may be utilized to perform this audit.

Measurement Periods: The first period to be measured shall be January 1, 2018, through December 31, 2018. The second period will be for calendar year 2019, and the third period for calendar year 2020. The fourth period, subject to the renewal option, will be for calendar year 2021, and the fifth period, subject to the renewal option, will be for calendar year 2022. If the performance guarantees are effective for less than a full calendar year, the payment amounts will be prorated for the portion of the Measurement Period.

4 TERMINATION

4.1 TERMINATION FOR CAUSE

OGB/State may terminate the Contract for cause based upon the failure of Contractor to comply with the terms and/or conditions of the Contract, provided that OGB/State shall give Contractor written notice specifying Contractor's failure. If within thirty (30) days after receipt of such notice, Contractor shall not have corrected such failure or, in the case of failure which cannot be corrected in thirty (30) days, begun in good faith to correct such failure and thereafter proceeded diligently to complete such correction, then OGB/State may, at its option, place Contractor in default and the Contract shall terminate on the date specified in such notice.

Provided Contractor is not in breach of the Contract, Contractor may exercise any rights available to it under Louisiana law to terminate for cause upon the failure of OGB/State to comply with the terms and conditions of the Contract, provided that Contractor shall give OGB/State written notice specifying OGB's/State's failure, provided the failure of OGB/State does not result from force majeure or fault of Contractor, its agents, or representatives, and further provided that Contractor shall give OGB/State a reasonable opportunity for OGB/State to cure the defect.

4.2 TERMINATION FOR CONVENIENCE

OGB/State may terminate the Contract at any time by giving thirty (30) days' written notice to Contractor of such termination or negotiating with Contractor an effective date. Contractor shall be entitled to payment for services completed prior to receipt of such notice and deliverables in progress, to the extent work has been performed satisfactorily.

4.3 TERMINATION FOR NON-APPROPRIATION OF FUNDS

The continuation of this Contract is contingent upon the appropriation of funds by the Louisiana Legislature to fulfill the requirements of the Contract. If the Legislature fails to appropriate sufficient monies to provide for the continuation of the Contract, or if such appropriation is reduced or eliminated by the veto of the Governor or by any means provided in the Appropriations Act of Title 39 of the Louisiana Revised Statutes of 1950 to prevent the total appropriation for the year from exceeding revenues for that year, or for any other lawful purpose, and the effect of such reduction is to provide insufficient monies for the continuation of the Contract, the Contract shall terminate on the date of the beginning of the first fiscal year for which funds have not been appropriated.

5 INDEMNIFICATION

- (a) Contractor shall be fully liable for its own actions and the actions of its agents, employees, partners and subcontractors and shall fully protect, defend, and indemnify all State departments, including OGB, Agencies, Boards, and Commissions (collectively, the “State”), its officers, trustees, employees, servants, subcontractors, agents, and volunteers from and against any and all losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys’ fees), and other liabilities of every name and description relating to personal injury or death to any person or damages, loss, or destruction of any real or tangible property which may occur, or in any way arise out of, any act or omission, and any violation of or failure to comply with any state or federal law, or other legal or Contract requirement (collectively, “Claim/Cost”), to the extent caused by Contractor, its agents, employees, partners or subcontractors; provided, however, that Contractor shall not be required to indemnify for that portion of any Claim/Cost arising hereunder due solely to the negligent or intentional act or failure to act of the State.
- (b) Contractor shall fully protect, defend, and indemnify, the State, OGB, its officers, trustees, employees, servants, subcontractors, agents, and volunteers from and against all adverse federal and state tax consequences, loss, liability, damage, expense, attorneys’ fees or other obligations resulting from, or arising out of, any act or omission by Contractor in connection with other obligations resulting from or arising out of any premium charge, tax, or similar assessment by federal, state, and local governmental authorities, for which Contractor is liable.
- (c) If applicable, Contractor will protect, defend, and indemnify, the State, OGB, its officers, trustees, employees, servants, subcontractors, agents, and volunteers, from and against all losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys’ fees), and other liabilities of every name and description (collectively, “Claim/Cost”) which may be assessed against the State, OGB, its officers, trustees, employees, servants, subcontractors, agents, and volunteers in any action for infringement of a United States Letter Patent with respect to the products furnished, or of any copyright, trademark, trade secret or intellectual property right, in relation to this Contract, provided that the State/OGB shall give Contractor: (i) prompt written notice of any action, claim, or threat of infringement suit, or other suit; (ii) the opportunity to take over, settle, or defend such Claim/Cost at Contractor’s sole expense; and (iii) reasonable assistance in the defense of any such action at the expense of Contractor. Where a Claim/Cost arises relative to a real or anticipated infringement, the State, OGB, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers, may require Contractor, at its sole expense, to submit such information and documentation, including formal patent attorney opinions, as to such infringement claim as OGB/the State deems necessary.
- (d) Contractor agrees to indemnify and defend the State and OGB from all Claims/Costs relating to Contractor’s or its subcontractors’ fault or negligence, including, but not limited

to, any claims relating to the failure of Contractor to provide services or fulfill obligations as specified in this Contract due to financial hardship or insolvency.

- (e) Contractor agrees to investigate, handle, respond to, provide defense for and defend any such claims, demands, suits, or causes of action at its sole expense and agrees to bear all other costs and expenses related thereto, even if the claims, demands, suits, or causes of action are groundless, false or fraudulent.
- (f) In addition to the foregoing remedies for patent infringement Claims/Costs, if the use of the product, material, or service or part(s) thereof shall be enjoined for any reason or if Contractor believes that such use may be enjoined, Contractor shall have the right, at its own expense and sole discretion take action in the following order of precedence: (i) to procure for the State/OGB the right to continue using such product, material, or service or part(s) thereof, as applicable, under the same terms and conditions as provided in this Contract; (ii) to modify the product, material, or service so that it becomes a non-infringing product, material, or service of at least equal quality and performance, in State's/OGB's sole opinion; (iii) to replace the product, material, or service or part(s) thereof, as applicable, with non-infringing components of at least equal quality and performance, in State's/OGB's sole opinion; or (iv) if none of the foregoing is commercially reasonable, provide monetary compensation to State/OGB.
- (g) The State and OGB may, in addition to other remedies available to the State, OGB, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers at Law or equity and upon notice to Contractor, retain such monies from amounts due Contractor as may be necessary to satisfy any claim for damages, fines, penalties, judgments, assessments, expenses, obligations (including attorneys' fees), and other liabilities asserted by or against the State, OGB, its officers, trustees, employees, servants, subcontractors, agents, and/or volunteers, for which Contractor owes indemnification and/or defense pursuant to this Section.

6 FORCE MAJEURE

Neither party shall be liable for any delay or failure in performance beyond its control resulting from acts of God or force majeure. Whether a delay or failure results from a force majeure is ultimately determined by the State based on a review of all facts and circumstances. The parties shall use reasonable efforts to eliminate or minimize the effect of such events upon performance of their respective duties under Contract.

7 CONTRACT CONTROVERSIES

Any claim or controversy arising out of the Contract shall be resolved by the provisions of La. R.S. 39:1672.2-1672.4.

8 FUND USE

Contractor agrees not to use Contract proceeds to urge any elector to vote for or against any candidate or proposition on an election ballot, nor shall such funds be used to lobby for or against any proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority. This provision shall not prevent the normal dissemination of factual information relative to a proposition on any election ballot or a

proposition or matter having the effect of law being considered by the Louisiana Legislature or any local governing authority.

9 ASSIGNMENT

Contractor shall not assign any interest in this Contract by assignment, transfer, novation, or otherwise without prior written consent of the State. This provision shall not be construed to prohibit Contractor from assigning to a bank, trust company, or other financial institution any money due or to become due from approved contracts without such prior written consent. Notice of any such assignment, transfer, or novation shall be furnished promptly to the State.

10 RIGHT TO AUDIT

The State Legislative Auditor, federal auditors, internal auditors of the Division of Administration and its designated agents, the State, OGB, or others so designated by the State/OGB shall be entitled to audit all accounts, procedures, matters, and records of any Contractor or subcontractor under any negotiated Contract or subcontract directly pertaining to the Contract for a period of five (5) years after final payment under the Contract and by the subcontractor for a period of five (5) years from the date of final payment under the subcontract or such longer period as required by applicable state and federal law. Records, including direct read access to databases and all tables, shall be made available during normal business hours for this purpose.

The State has the right to hire an independent third-party auditor, if the State deems necessary, to review all accounts, procedures, matters, and records, and Contractor and/or subcontractor shall provide access to all files, information system access, and space access upon request of the State for the third-party auditor selected to perform the indicated audit.

In the event that an examination of records results in a determination that previously paid invoices included charges which were improper or beyond the scope of the Contract, Contractor agrees that the amounts paid to the Contractor shall be adjusted accordingly, and that the Contractor shall within thirty (30) days of notification of such finding issue a remittance to the State of any payments declared to be improper or beyond the scope of the Contract. In combination therewith, or alternatively, the State may offset the amounts deemed improper or beyond the scope of the Contract against Contractor's outstanding invoices, if any.

10.1 RECORD OWNERSHIP

All records, reports, documents, or other material related to this Contract, delivered or transmitted to the Contractor by the State or its employees, agents, or authorized vendors, and/or obtained or prepared by Contractor or its subcontractors in connection with the performance of the services under the Contract, shall become the property of the State and are referred to herein as "Records."

Contractor agrees to retain all Records in accordance with all Louisiana and federal laws and regulations. Further, Contractor agrees to retain all Records in accordance with OGB's official retention schedules (the "Schedules"), RFP Attachment VI, until such time as the Records are returned to the State or other disposition is agreed. In the event the applicable Law and the Schedules contain different retention periods, the Records shall be kept for the longer period. Records shall be in a format and media as required by law or as agreed upon by the parties in writing if allowed by applicable Law. The Schedules in place as of the effective date of this

Contract are contained in RFP Attachment VI, Records Retention Schedule, and may be amended from time to time as deemed necessary by the State. To further ensure compliance with the Schedules and Louisiana retention laws and rules, Contractor agrees to abide by the processes outlined in RFP Attachment VII, Imaging System Survey Compliance and Records Destruction. Contractor shall return the Records to the State, at Contractor's expense, within seven (7) days of request or in the specific instance of termination or expiration of the Contract, within sixty (60) days after the termination or expiration of this Contract, and shall retain no copies of the Records unless required by applicable Law.

10.2 CONTRACTOR'S COOPERATION

Contractor has the duty to fully cooperate with the State and provide any and all requested information, documentation, or other such requested support to the State when requested. This applies even if the Contract is terminated and/or litigation ensues. Specifically, Contractor shall not limit or impede OGB's right to audit, or withhold Records.

11 CONTRACT MODIFICATIONS

No amendment or variation of the terms of this Contract shall be valid unless made in writing, signed by the parties, and approved as required by law. No oral understanding or agreement not incorporated in the Contract shall be binding on any of the parties.

12 CONFIDENTIALITY OF DATA

All financial, statistical, personal, technical, and other data and information relating to the State's operation or the Contract which are made available to the Contractor in order to carry out this Contract, or which become available to the Contractor in carrying out this Contract, shall be protected by the Contractor from unauthorized use and disclosure through the observance of the same or more effective security and procedural requirements as are applicable to OGB and the State. The Contractor shall not be required under the provisions of this paragraph to keep confidential any data or information which is or becomes publicly available through no fault of Contractor or its subcontractors, vendors, agents, or employees, is already rightfully in the Contractor's possession, is independently developed by the Contractor outside the scope of the Contract, or is rightfully obtained from third parties without breach of the Contract.

Under no circumstance shall the Contractor discuss and/or release information to the media concerning this Contract or any participant without prior express written approval of the State.

12.1 DUTIES TO MONITOR AND REPORT SECURITY BREACH OR UNAUTHORIZED RELEASE, USE OR RELEASE OF INFORMATION

The Contractor and its subcontractors/vendors shall implement monitoring plans to detect unauthorized access to or use of confidential information and any attempts to gain unauthorized access to confidential information. The Contractor and its subcontractors/vendors shall provide the Contract Supervisor with immediate notification (not more than twenty-four (24) business hours) of the Contractor's awareness of any Security Incident ("Security Incident") involving confidential information and report such Security Incident to any state authority pursuant to applicable state law. The reference to Security Incident herein may include, but not be limited to, the following: successful attempts at gaining unauthorized access to confidential information or the unauthorized use of a system for the processing or storage of confidential

information, or the unauthorized use or disclosure, whether intentional or otherwise, of confidential information.

In the event of unauthorized access to or disclosure of information, the Contractor shall consult with the State regarding the necessary steps to address the factors giving rise to the Security Incident and to address the consequences of such Security Incident. Contractor shall also provide assistance performing a risk assessment of any Security Incident that occurs, if requested by the State.

Nothing in this Contract shall be deemed to affect any rights an individual participant may have under any applicable state or federal law concerning privacy rights or the unauthorized access, use, or disclosure of protected health information.

12.2 THIRD PARTY REQUESTS FOR RELEASE OF INFORMATION

Should third parties request the Contractor to submit confidential information to them pursuant to an audit not initiated by the Contractor, public records request, subpoena, summons, search warrant or governmental order, the Contractor will notify the State immediately upon receipt of such request. Notice shall be forwarded via e-mail to the Chief Executive Officer of OGB. The Contractor shall cooperate with the State with respect to defending against any such requested release of information or obtaining any necessary judicial protection against such release if, in the opinion of the State, the information contains confidential information which should be protected against such disclosure. The reasonable legal fees and related expenses incurred by the Contractor or its subcontractor in resisting the release of information under this provision shall constitute reimbursable expenses under this Contract.

Legal service fees of law firms engaged pursuant to this Section may not be “marked up” (i.e., invoiced cost-plus) by the Contractor.

13 SUBCONTRACTORS

The Contractor may enter into subcontracts with third parties for the performance of any part of the Contractor’s duties and obligations, with the express prior written approval of the State. In no event shall the existence of a subcontract operate to release or reduce the liability of the Contractor to the State for any breach or deficiency in the performance of the Contractor’s duties. The Contractor will be the single point of contact for all subcontractor work. The Contractor shall require subcontractors who are performing any key internal control to undergo independent assurance project/program review.

14 COMPLIANCE WITH LAWS

The Contractor must comply with all applicable laws while providing services under this Contract. Specifically, Contractor agrees to abide by the requirements of the following as applicable: Title VI and Title VII of the Civil Rights Act of 1964, as amended by the Equal Opportunity Act of 1972, Federal Executive Order 11246, the Federal Rehabilitation Act of 1973, as amended, the Vietnam Era Veteran’s Readjustment Assistance Act of 1974, Title IX of the Education Amendments of 1972, the Age Act of 1975, and the Americans with Disabilities Act of 1990.

Contractor agrees not to discriminate in its employment practices, and will render services under this Contract without regard to race, color, religion, sex, national origin, veteran status,

political affiliation, or disabilities. Any act of discrimination committed by Contractor or its subcontractors, or failure to comply with these statutory obligations when applicable, shall be grounds for immediate termination of this Contract.

15 INSURANCE

Contractor's Insurance: The Contractor shall not commence work under the Contract until it has obtained all insurance required herein, and Contractor shall maintain the required insurance for the duration of the Contract or as further indicated herein. The date of the inception of the policy must be no later than the first date of anticipated work under the Contract. Certificates of Insurance shall be filed with the State for approval. If so requested, the Contractor shall also submit copies of insurance policies for inspection and approval of the State before work is commenced. Contractor must provide the State thirty (30) days' prior written notice of any cancellation or reduction in coverage for any such insurance. Any such cancellation or reduction in coverage, if not approved in advance, may result in termination of the Contract.

Workers' Compensation Insurance: Before any work is commenced, Contractor must have in place and shall maintain during the life of the Contract, Workers' Compensation Insurance for all of Contractor's employees and other persons for whom Contractor is required to provide Workers' Compensation Insurance under applicable law. In case any work is sublet, Contractor shall require the subcontractor similarly to provide Workers' Compensation Insurance for all the latter's employees, unless such employees are covered by the protection afforded by the Contractor. Workers' Compensation Insurance shall be in compliance with the Workers' Compensation law of the state of the Contractor's headquarters. Employer's Liability Insurance shall be included with a minimum limit of \$1,000,000 per accident/per disease/per person.

Workers' Compensation Indemnity: In the event Contractor is not required to provide or elects not to provide workers' compensation coverage, the parties hereby agree that Contractor, its owners, agents, and employees will have no cause of action against, and will not assert a claim against, the State of Louisiana, its departments, agencies, agents and employees as an employer, whether pursuant to the Louisiana Workers' Compensation Act or otherwise, under any circumstance. The parties also hereby agree that the State of Louisiana, its departments, agencies, agents and employees shall in no circumstance be, or considered as, the employer or statutory employer of Contractor, its owners, agents, and employees. The parties further agree that Contractor is a wholly-independent contractor and is exclusively responsible for its employees, owners, and agents. Contractor hereby agrees to protect, defend, and indemnify the State of Louisiana, its departments, agencies, agents, and employees from any such assertion or claim that may arise from the performance of this Contract.

Commercial General Liability Insurance: Contractor shall maintain during the life of the Contract such Commercial General Liability Insurance, including Personal and Advertising Injury Liability, which shall protect it, and the State, its officers, trustees, employees, servants, and/or agents, from losses, claims, demands, liabilities, suits, actions, damages, costs, fines, penalties, judgments, forfeitures, assessments, expenses, obligations (including attorneys' fees), and other liabilities relating to personal injury, general negligence, violation of or failure to comply with any state or federal law, regulation, or other legal mandate, and damage to real or personal tangible property to the extent caused by Contractor, its employees, officers,

agents, partners or subcontractors, and which may arise from operations or services under the Contract, whether such operations or services be by Contractor or by a subcontractor, or by anyone directly or indirectly employed or procured by either of them, or in such manner as to impose liability on the State, its officers, trustees, employees, servants, and/or agents. Such insurance shall name the State of Louisiana, its officers, trustees, employees, servants, and agents as additional insureds. The amount of coverage shall be as follows: Commercial General Liability insurance, including Personal and Advertising Injury Liability, with policy limits of not less than \$1,000,000 per occurrence and \$2,000,000 in the aggregate, and Umbrella Liability insurance, with policy limits of not less than \$5,000,000 per occurrence and \$10,000,000 in the aggregate.

The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (or current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

Professional Liability (Errors & Omissions) Insurance: Contractor shall maintain professional liability insurance, which covers the professional errors, acts, or omissions of the Contractor, with minimum policy limit of \$1,000,000 for the purpose of providing coverage for claims arising out of the performance of its services under this Contract. Claims-made coverage is acceptable. Coverage shall be provided for the duration of the Contract and shall have an expiration date no earlier than thirty (30) days after the anticipated completion of the Contract. The policy shall provide an extended reporting period of not less than twenty-four (24) months, with full reinstatement of limits, from the expiration date of the policy, if the policy is not renewed.

Cyber Liability Insurance: Contractor shall have in place before commencing work under the Contract and maintain during the life of the Contract and for the extended reporting period herein, cyber liability insurance, including first-party costs, for any electronic breach that compromises the State's confidential data with a minimum policy limit of \$10,000,000 for the purpose of providing coverage for claims arising out of the performance of its services under this Contract. Claims-made coverage is acceptable. Such insurance shall name the State of Louisiana, its officers, trustees, employees, servants, and agents as additional insureds. Coverage shall be provided for the duration of this Contract and shall have an expiration date no earlier than thirty (30) days after the anticipated completion of the Contract. The policy shall provide an extended reporting period of not less than twenty-four (24) months from the expiration date of the policy, if the policy is not renewed. The policy shall not be cancelled for any reason, except non-payment of premiums.

Owned, Non-Owned and Hired Motor Vehicles: Contractor shall maintain during the life of the Contract, Automobile Liability Insurance in an amount not less than combined single limits of \$1,000,000 per occurrence for bodily injury/property damage. ISO form number CA 00 01 (or current form approved for use in Louisiana), or equivalent, is to be used in the policy. Such insurance shall cover and include third-party bodily injury and property damage liability for any owned, non-owned, and hired motor vehicles engaged in operations within the terms of the Contract, unless such coverage is included in insurance elsewhere specified.

Subcontractor's Insurance: Contractor shall include all subcontractors performing work required by this Contract as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates of Insurance provided for any and all subcontractors, which

are not protected under the Contractor's own insurance policies, of the same nature and in the same amounts as required of Contractor. Subcontractors shall be subject to all of the requirements stated herein. The State reserves the right to request copies of subcontractor's Certificates of Insurance at any time.

Deductibles and Self-Insured Retentions: Any deductibles or self-insured retentions must be declared to and accepted by the State. The Contractor shall be responsible for all deductibles and self-insured retentions.

Other Insurance Provisions: The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverages

- a. The State, OGB, its officers, agents, employees, and volunteers shall be named as an additional insured as regards negligence by the Contractor. ISO Form CG 20 10 (or current form approved for use in Louisiana), or equivalent, is to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the State.
- b. The Contractor's insurance shall be primary as respects the State, OGB, its officers, agents, employees, and volunteers. Any insurance or self-insurance maintained by the State/OGB shall be excess and non-contributory of the Contractor's insurance.
- c. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the State/OGB, its officers, agents, employees, and volunteers.
- d. The Contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the policy limits.

2. Workers' Compensation and Employer's Liability Coverage

The insurer shall agree to waive all rights of subrogation against the State/OGB, its officers, agents, employees, and volunteers for losses arising from work performed by the Contractor for the State/OGB under the Contract.

3. All Coverages

- a. Coverage shall not be cancelled, suspended, or voided by either the Contractor or the insurer or reduced in coverage or in limits, except after 30 days' written notice has been given to the OGB/State. Ten-day written notice of cancellation is acceptable for non-payment of premium. Notifications shall comply with the standard cancellation provisions in the Contractor's policy.
- b. Neither the acceptance of the completed work nor the payment thereof shall release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- c. The insurance companies issuing the policies shall have no recourse against the OGB/State for payment of premiums or for assessments under any form of the policies.

- d. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the State/OGB, its officers, agents, employees, and volunteers.

Acceptability of Insurers: All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction(s) in which the Project is performed. Insurance shall be placed with insurers with a A.M. Best's rating of A-:VI or higher. This rating requirement may be waived for worker's compensation coverage only.

If at any time an insurer issuing any such policy does not meet the minimum A.M. Best rating, the Contractor shall obtain a policy with an insurer that meets the A.M. Best rating and shall submit another Certificate of insurance as required in the Contract.

Verification of Coverage: Contractor shall furnish the OGB/State with Certificates of Insurance reflecting proof of required coverage. The Certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. The Certificates are to be received and approved by the OGB/State before work commences and upon any Contract renewal thereafter.

In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision endorsement for each insurance policy. The OGB/State reserves the right to request complete certified copies of all required insurance policies at any time.

Upon failure of the Contractor to furnish, deliver, or maintain such insurance as above provided, the Contract, at the election of the OGB/State, may be suspended, discontinued, or terminated. Failure of the Contractor to purchase and/or maintain any required insurance shall not relieve the Contractor from any liability or indemnification under the Contract.

16 APPLICABLE LAW

This Contract shall be governed by and interpreted in accordance with the laws of the State of Louisiana, including but not limited to La. R.S. 39:1551-1736 (Louisiana Procurement Code, as applicable), to the extent federal law does not preempt; rules and regulations; executive orders; standard terms and conditions, special terms and conditions, and specifications listed in the RFP and addenda; and this Contract; and any amendments issued thereto by the State (collectively referred to as the "Law"). After exhaustion of any available administrative remedies, the exclusive venue of any action brought with regard to this Contract shall be in the Nineteenth (19th) Judicial District Court, Parish of East Baton Rouge, State of Louisiana.

17 CODE OF ETHICS

Contractor acknowledges that Chapter 15 of Title 42 of the Louisiana Revised Statutes (La. R.S. 42:1101, *et. seq.*, Code of Governmental Ethics) applies to the contracting parties in the performance of services called for in this Contract. Contractor agrees to immediately notify the OGB's CEO if violations or potential violations of the Code of Governmental Ethics by or through Contractor or its subcontractors under this Contract arise at any time during the term of this Contract.

18 SEVERABILITY

If any term or condition of this Contract or the application thereof is held invalid, such invalidity shall not affect other terms, conditions, or applications which can be given effect without the invalid term, condition, or application; to this end, the terms and conditions of this Contract are declared severable.

19 INDEPENDENT ASSURANCES

Contractor shall submit, and cause its subcontractors who perform key internal controls to submit, to certain independent audits to ascertain that processes and controls related to the contracted service are operating properly. Independent assurances may be in the form of a Service Organization Control (“SOC”) 2, Type II report resulting from an independent annual SSAE 16 engagement of the operations. The SSAE 16 engagement will be performed at least annually by an audit firm that will conduct tests and render an independent opinion on the operating effectiveness of the controls and procedures. The audit firm that will conduct the SSAE 16 engagement will submit a final report on controls placed in operation for the project and include a detailed description of the audit firm’s tests of the operating effectiveness of controls. The Contractor shall supply the State with an exact copy of the SOC report resulting from the SSAE 16 engagement within the specified timeframe.

As an alternative to providing a SSAE 16 SOC 2, Type II report, the Contractor must complete and submit RFP Attachment IX, Third Party Information Security Questionnaire annually for review and consideration by the State. The State reserves the right to conduct an onsite audit to validate the information provided.

The cost of such independent assurances will be borne by Contractor. Such independent assurances shall be performed at least annually during the term of the Contract. Contractor may review any audit report before delivery to the State and include with the report a supplementary statement containing facts that Contractor considers pertinent to the audit or engagement. Contractor shall implement recommendations as suggested by the program review, State's Third Party Information Security Questionnaire, audit, and/or SSAE 16 engagement, within three (3) months of report issuance and at no cost to the State.

20 NOTICE

Any notice required or permitted by this Contract, unless otherwise specifically provided for in this Contract, shall be in writing and shall be deemed given upon receipt following delivery by: (i) an overnight carrier or hand delivery to the State/OGB; or, (ii) registered or certified mail return receipt requested, and addressed as follows:

[illegible]

To OGB: Mr. Tommy Teague, CEO
Office of Group Benefits
Post Office Box 44036

Baton Rouge, LA 70804

Or

Mr. Tommy Teague, CEO
Office of Group Benefits
1201 N. 3rd Street, Suite G-159
Baton Rouge, LA 70802

The U.S. Postal Service does not make deliveries to OGB's physical location.

At any time, either party may change its addressee and/or address for notification purposes by mailing a notice stating the change and setting forth the new address.

21 HEADINGS

Descriptive headings in this Contract are for convenience only and shall not affect the construction or meaning of Contractual language.

22 ENTIRE AGREEMENT

This Contract, together with the RFP and addenda issued thereto by the State, the Proposal submitted by the Contractor in response to the applicable RFP, and any exhibits incorporated herein by reference, shall constitute the entire agreement between the parties with respect to the subject matter hereof.

23 ORDER OF PRECEDENCE

In the event of any inconsistent or incompatible provisions, this signed Contract (excluding the RFP and the Contractor's Proposal) shall take precedence, followed by the provisions of the RFP, and then by the terms of the Contractor's Proposal.

24 BUSINESS ASSOCIATE ADDENDUM

A Business Associate Addendum, RFP Attachment II, shall be executed between the parties to this Contract to protect the privacy and provide security of Protected Health Information ("PHI") in compliance with the Health Insurance Portability and Accountability Act of 1996 ("HIPAA"), and regulations promulgated thereunder, as amended from time to time.

OGB is a "Covered Entity" under HIPAA/HITECH. For the purposes of this Contract, Contractor is deemed to be a "Business Associate" of OGB as such term is defined by HIPAA and regulations promulgated thereunder, including in the Privacy Standard of the Federal Register, published on December 28, 2000, and the parties have executed a Business Associate Addendum attached to this Contract as RFP Attachment II, and made a part of this Contract. The parties understand and agree that if additional agreements are required to be compliant as required under HIPAA and Law, the parties will execute such agreements in a timely manner. Contractor agrees that its processes, systems, and reporting will be in full compliance with federal and state requirements, including but not limited to HIPAA, throughout the term of the Contract. Any fines or penalties imposed on any party related to Contractor's or its subcontractors' non-compliance will be the sole responsibility of Contractor. Contractor shall require its subcontractors' and any other vendors' processes, systems, and reporting to be in full compliance with federal and state requirements, including but not limited to HIPAA.

Further, Contractor agrees that its organization, and that it requires that its subcontractors/vendors, will comply with all HIPAA regulations throughout the term of the Contract with respect to any issue related to the OGB Contract, plans, or participants involving PHI, including but not limited to participant services, complaints, appeals determinations, notification of rights, and confidentiality. Contractor shall require that all agreements with subcontractors include the provisions of this Section and any Attachments referenced herein. OGB shall be provided copies of such subcontractor agreements upon request.

Notwithstanding any provision to the contrary, major delegated functions involving PHI, including but not limited to claims processing, customer service, and any other services as provided by applicable Law, shall not be sourced outside of the territorial and jurisdictional limits of the fifty (50) United States of America.

25 COMMISSIONER'S STATEMENTS

Statements, acts, and omissions made by or on behalf of the Commissioner of Administration regarding the RFP or RFP process, this Contract, any Contractor and/or any subcontractor of the Contractor shall not be deemed a conflict of interest when the Commissioner is discharging his duties and responsibilities under Law, including, but not limited, to the Commissioner of Administration's authority in procurement matters.

26 CONTRACTOR ELIGIBILITY

At the time of execution, Contractor, and each tier of subcontractors, certifies that it is not on the List of Parties Excluded from Federal Procurement or Non-procurement Programs promulgated in accordance with Executive Orders 12549 and 12689, "Debarment and Suspension" as set forth in 24 CFR Part 24. Contractor has a continuing obligation to disclose any suspensions, debarment, or investigations by any government entity, including but not limited to General Services Administration (GSA). Failure to disclose may constitute grounds for suspension and/or termination of the Contract and debarment from future contracting opportunities.

27 CONTINUING OBLIGATIONS

Notwithstanding any provisions to the contrary herein, upon the termination of this Contract for any reason, the provisions of this Contract which by their nature require some action or forbearance after such termination, including but not limited to confidentiality, PHI, reporting, indemnity, insurance, records retention, and performance guarantees, shall survive such termination and be binding until any actions, obligations, and/or rights provided therein have been satisfied or released.

28 TRANSITION OF SERVICES AND DATA

Contractor shall comply with the provisions of this Contract, and other requests of OGB/State, to accomplish a timely transition of services without interruption of services to participants. During any such transition, Contractor will provide all of the same Records and data in the same format as provided during the term of the Contract, to OGB/State or its designee. Contractor further agrees that no dispute or objection it may have regarding the propriety of any transition of services by OGB/State will relieve Contractor of these obligations.

THUS DONE AND SIGNED on the date(s) noted below:

**STATE OF LOUISIANA,
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS**

CONTRACTOR

BY: _____

BY: _____

NAME: Tommy Teague

NAME: _____

TITLE: Chief Executive Officer

TITLE: _____

DATE: _____

DATE: _____

ATTACHMENT II: BUSINESS ASSOCIATE ADDENDUM

State of Louisiana, Division of Administration

Office of Group Benefits

HIPAA Business Associate Addendum

THIS HIPAA BUSINESS ASSOCIATE ADDENDUM (the "Addendum") is entered into effective the _____ day of _____, 2017 (the "Effective Date"), by and between _____ ("Business Associate") and the State of Louisiana, Division of Administration, Office of Group Benefits, on behalf of itself and its affiliates, if any (individually and collectively, the "Covered Entity") and adds to the Agreement or Contract dated _____, 20____, entered into between Covered Entity and Business Associate (the "Agreement").

WHEREAS, pursuant to the Agreement, Business Associate performs functions or activities or arranges for such on behalf of Covered Entity involving the use and/or disclosure of protected health information that Business Associate accesses, creates, receives, maintains or transmits on behalf of Covered Entity ("PHI"); and

WHEREAS, Covered Entity and Business Associate intend to protect the privacy and provide for the security of PHI in compliance with the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services ("HHS"), as amended from time to time including by the Health Information Technology for Economic and Clinical Health Act ("HITECH") (collectively "HIPAA").

Business Associate, therefore, agrees to the following terms and conditions set forth in this Addendum.

1. Definitions. Terms used, but not otherwise defined, in this Addendum shall have the same meaning as those terms are defined under HIPAA.
2. Compliance with Applicable Law. The parties acknowledge and agree that, beginning with the Effective Date, Business Associate shall comply with its obligations under this Addendum and with all obligations of a business associate under HIPAA and other applicable laws, regulations, and record retention policies, as they exist at the time this Addendum is executed and as they are amended, for so long as this Addendum is effective.
3. Uses and Disclosures of PHI. Except as otherwise limited in the Agreement or this Addendum, Business Associate may, and shall ensure that its directors, officers, employees, contractors, subcontractors, vendors, and agents use or disclose PHI only as follows:
 - (a) Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
 - (b) Business Associate may disclose PHI for the proper management and administration, or to carry out the legal responsibilities, of the Business Associate, provided that disclosures are required by HIPAA, or Business Associate obtains reasonable written assurances from the person or entity to whom the PHI is disclosed that it will remain confidential and be used

or further disclosed only as required by law or for the purpose for which it was disclosed to the person or entity, and the person or entity notifies the Business Associate of any instances of which it is aware or suspects in which the confidentiality of the PHI has been breached. In such case, Business Associate shall report such known or suspected breaches to Covered Entity as soon as possible and in accordance with timeframes set forth in this Addendum.

- (c) Business Associate, upon written request by Covered Entity, may use PHI to provide Data Aggregation services to Covered Entity as permitted by 45 CFR 164.504(e)(2)(i)(B). For purposes of this Section, Data Aggregation means, with respect to PHI, the combining of such PHI by Business Associate with the PHI received by Business Associate in its capacity as a Business Associate of another Covered Entity to permit data analyses that relate to the health care operations of the respective Covered Entities.
- (d) Business Associate may de-identify any and all PHI created or received by Business Associate under this Agreement; provided, however, that the de-identification conforms to the requirements of HIPAA and in accordance with any guidance issued by the Secretary. Such resulting de-identified information would not be subject to the terms of this Addendum.
- (e) Business Associate may create a Limited Data Set, as defined in HIPAA, and use such Limited Data Set pursuant to a Data Use Agreement that meets the requirements of HIPAA.

4. *Required Safeguards To Protect PHI.* Business Associate shall implement appropriate safeguards in accordance with HIPAA to prevent the use or disclosure of PHI other than pursuant to the terms and conditions of the Agreement. To the extent that Business Associate creates, receives, maintains, or transmits electronic PHI (“ePHI”) on behalf of Covered Entity, Business Associate shall comply with the HIPAA Security Rule as of the relevant effective date and further, shall implement Administrative, Physical, and Technical Safeguards that reasonably and appropriately protect the confidentiality, integrity and availability of the ePHI.

5. *Reporting to Covered Entity.* Business Associate shall immediately report to Covered Entity any use or disclosure of PHI not provided for by this Addendum, including breaches of unsecured PHI in accordance with the Breach Notification Rule (45 CFR Subpart D), and any security incident of which it becomes aware. Business Associate shall cooperate with Covered Entity’s investigation, analysis, notification and mitigation activities, and shall be responsible for all costs incurred by Covered Entity for those activities.

6. *Mitigation of Harmful Effects.* Business Associate agrees to mitigate, to the extent practicable, any harmful effect of a use or disclosure of PHI by Business Associate in violation of the requirements of this Addendum, including, but not limited to, compliance with any state law or contractual data breach requirements.

7. *Agreements with Third Parties.* Business Associate understands and agrees that any agent or subcontractor that may create, receive, maintain or transmit PHI on behalf of Business Associate must comply with all applicable laws and regulations as are applicable to Covered Entity in regard to PHI. Business Associate shall enter into a written agreement with any agent or subcontractor of Business Associate that will create, receive, maintain, or transmit PHI on behalf of Business Associate. Pursuant to such agreement, the agent or subcontractor shall agree to be bound by the same restrictions, terms, and conditions that apply to Business Associate under this Addendum.

with respect to such PHI. Such agreements with Business Associates agents and subcontractors shall be provided to Covered Entity upon request and subject to audit hereunder.

8. Access to Information. Within ten (10) days of a request by Covered Entity for access to PHI about an individual contained in a Designated Record Set, Business Associate shall make available to Covered Entity such PHI for so long as such information is maintained by Business Associate in the Designated Record Set, as required by 45 CFR 164.524. In the event any individual delivers directly to Business Associate a request for access to PHI, Business Associate shall within five (5) days forward such request to Covered Entity.

9. Availability of PHI for Amendment. Within ten (10) days of receipt of a request from Covered Entity for the amendment of an individual's PHI or a record regarding an individual contained in a Designated Record Set (for so long as the PHI is maintained in the Designated Record Set), Business Associate shall provide such information to Covered Entity for amendment and incorporate any such amendments in the PHI as required by 45 CFR 164.526.

10. Documentation of Disclosures. Business Associate agrees to document disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. At a minimum, Business Associate shall provide Covered Entity with the following information: (i) the date of the disclosure; (ii) the name of the entity or person who received the PHI, and if known, the address of such entity or person; (iii) a brief description of the PHI disclosed; and (iv) a brief statement of the purpose of such disclosure which includes an explanation of the basis for such disclosure.

11. Accounting of Disclosures. Within ten (10) days of notice by Covered Entity to Business Associate that it has received a request for an accounting of disclosures of PHI regarding an individual, Business Associate shall make available to Covered Entity information collected in accordance with Section 10 of this Addendum, to permit Covered Entity to respond to the request for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. In the event the request for an accounting is delivered directly to Business Associate, Business Associate shall within five (5) days forward such request to Covered Entity. Business Associate hereby agrees to implement an appropriate record keeping process to enable it to comply with the requirements of this Section.

12. Other Obligations. To the extent that Business Associate is to carry out Covered Entity's obligation under HIPAA, Business Associate shall comply with the requirements of HIPAA that apply to the Covered Entity in the performance of such obligation.

13. Availability of Books and Records. Business Associate hereby agrees to make its internal practices, books, and records relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to Covered Entity and to the Secretary for purposes of determining Covered Entity's compliance with HIPAA for the term of this Agreement and for five years following the final payment under the Agreement.

14. Effect of Termination of Agreement. Upon the termination of the Agreement or this Addendum for any reason, Business Associate shall return to Covered Entity, at its expense and within sixty (60) days of the termination, all PHI owned by or belonging to Covered Entity as provided in the Agreement, and shall retain no copies of the PHI unless required by law. In the event that the law requires Business Associate to retain copies of PHI, Business Associate shall

extend the protections of this Addendum to such PHI and limit further uses and disclosures of such PHI to those purposes required by law, for so long as Business Associate maintains such PHI. This provision includes, but is not limited to, PHI: (a) received from Covered Entity; (b) created or received by Business Associate on behalf of Covered Entity; and, (c) in the possession of subcontractors or agents of Business Associate. This provision includes PHI in any form, recorded on any medium, or stored in any storage system. In addition, the Business Associate shall return any books, records, or other documents required by the Agreement.

15. *Breach of Contract by Business Associate.* In addition to any other rights Covered Entity may have in the Agreement, this Addendum or by operation of law or in equity, Covered Entity may (i) immediately terminate the Agreement if Covered Entity determines that Business Associate has violated a material term of this Addendum, or (ii) at Covered Entity's option, permit Business Associate to cure or end any such violation within the time specified by Covered Entity. Covered Entity's exercise of its option to permit Business Associate to cure a breach of this Addendum shall not be construed as a waiver of any other rights Covered Entity has in the Agreement, this Addendum or by operation of law or in equity.

16. *Indemnification.* Business Associate shall defend, indemnify and hold harmless Covered Entity and its officers, trustees, employees, subcontractors and agents from and against any and all claims, penalties, fines, costs, liabilities or damages, including but not limited to reasonable attorney fees, incurred by Covered Entity arising from a violation by Business Associate or its subcontractors of Business Associate's obligations under this Addendum or HIPAA. This Section 16 of the Addendum shall survive the termination of the Agreement or this Addendum.

17. *Exclusion from Limitation of Liability.* To the extent that Business Associate has limited its liability under the terms of the Agreement, whether with a maximum recovery for direct damages or a disclaimer against any consequential, indirect or punitive damages, or other such limitations, all limitations shall exclude any damages to Covered Entity arising from Business Associate's breach of its obligations relating to the use and disclosure of PHI. This Section 17 of the Addendum shall survive the termination of the Agreement and this Addendum.

18. *Injunctive Relief.* Business Associate acknowledges and stipulates that the unauthorized use or disclosure of PHI by Business Associate or its subcontractors while performing services pursuant to the Agreement or this Addendum would cause irreparable harm to Covered Entity, and in such event, Covered Entity shall be entitled, if it so elects, to institute and prosecute proceedings in any court of competent jurisdiction, either in law or in equity, to obtain damages and injunctive relief, together with the right to recover from Business Associate costs, including reasonable attorneys' fees, for any such breach of the terms and conditions of the Agreement or this Addendum.

19. *Third Party Rights.* The terms of this Addendum are not intended, nor should they be construed, to grant any rights to any parties other than Business Associate and Covered Entity.

20. *Owner of PHI.* Under no circumstances shall Business Associate be deemed in any respect to be the owner of any PHI used or disclosed by or to Business Associate pursuant to the terms of the Agreement.

21. *Changes in the Law.* Covered Entity may amend either the Agreement or this Addendum, as appropriate, to conform to any new or revised federal or state legislation, rules, regulations, and

records retention policies to which Covered Entity is subject now or in the future including, without limitation, HIPAA.

22. Judicial and Administrative Proceedings. In the event Business Associate receives a subpoena, court, or administrative order or other discovery request or mandate for release of PHI, Business Associate shall notify Covered Entity of such within five business days by providing a copy of such and any applicable comments. Covered Entity shall have the right to control Business Associate's response to such request.

23. Conflicts. If there is any direct conflict between the Agreement and this Addendum, the terms and conditions of this Addendum shall control.

IN WITNESS WHEREOF, the parties have executed this Addendum effective the day and year first above written.

STATE OF LOUISIANA
DIVISION OF ADMINISTRATION
OFFICE OF GROUP BENEFITS

CONTRACTOR

By: _____
Signature

Tommy Teague
Printed Name

Title: Chief Executive Officer

Date: _____

By: _____
Signature

Printed Name

Title: _____

Date: _____

ATTACHMENT III: TRSL CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (“Agreement”) is entered into by the Teachers’ Retirement System of Louisiana (“TRSL”); the State of Louisiana, Division of Administration, Office of Group Benefits (“OGB”); and OGB’s contractor, _____ (“Contractor”), pertaining to the data (“Data”) obtained by OGB and/or Contractor pursuant to the Data Sharing Agreement between TRSL and OGB dated February 14, 2017. Any such Data received by Contractor is to be utilized only in the manner described in the Data Sharing Agreement, and only in the performance of Contractor’s obligations under Contract # _____.

OGB and Contractor acknowledge that they are prohibited by Article 1, Section 5 of the Louisiana Constitution of 1974 from releasing the Data supplied by TRSL containing personal information to any persons, agencies, or other third parties pursuant to a public records request. OGB and Contractor further acknowledge that they are required by federal laws and regulations, and in particular the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), to safeguard and protect all health information. OGB and Contractor agree that TRSL Data shall not be sold by OGB, Contractor, their officers, agents, employees, representatives, contractors, or subcontractors, for any purpose.

TRSL, Contractor, and OGB recognize that in the course of this Agreement information will be exchanged consisting of confidential trade secret or business information (“Confidential Information”). Each party shall treat the other party’s Confidential Information as it would treat its own confidential trade secret or business information, and with at least reasonable care as is appropriate to avoid unauthorized use or disclosure.

The obligations set forth herein shall not apply to information that (i) is or becomes generally known to the public, other than as a result of a disclosure of a party's Confidential Information by the other party or a disclosure of Data in violation of this Agreement, (ii) is rightfully in the possession of the other party prior to disclosure, free of any obligation of confidentiality, (iii) is received by a party in good faith and without restriction from a third party not under a confidentiality obligation to the other party and having the right to make such disclosure, or (iv) is independently developed without reference to the other party's Confidential Information.

In addition, any reports, information, documents, or work products given to or prepared or assembled by Contractor, its agents, servants, independent contractors, or employees under this Agreement, which OGB requests to be maintained as confidential, shall not be made available by Contractor, its agents, servants, independent contractors, or employees to any person or entity without the prior written approval of OGB.

Any reports, information, documents, or work products given by or received either directly or indirectly from TRSL pertaining to the members and/or retirees of TRSL shall be kept confidential and used only for the specific governmental purpose authorized and approved by OGB, and shall not be made available by Contractor, its agents, servants, independent contractors, or employees to any person or entity without the prior written approval of OGB. Contractor, its agents, servants, independent contractors, and/or employees shall at all times maintain the confidentiality of the

personally identifiable information of TRSL's members and retirees, including but not limited to the social security numbers, date of birth and member and retiree names.

Contractor shall indemnify and save harmless OGB and TRSL against any and all claims, losses, liabilities, demands, suits, causes of action, damages, and judgments of sums of money to any party accruing against OGB and/or TRSL growing out of or resulting from any breach of this Confidentiality Agreement by Contractor, its agents, servants, independent contractors, or employees while engaged in, about, or in connection with the discharge or performance of the terms of this Agreement and/or Contract # _____. Such indemnification shall include OGB's and TRSL's fees and costs of litigation, including, but not limited to, reasonable attorney's fees. Additionally, nothing herein shall preclude OGB and/or TRSL from seeking injunctive relief under Louisiana law against any asserted violation by Contractor of this Agreement.

OFFICE OF GROUP BENEFITS

CONTRACTOR

By: Tommy Teague

By: _____

Title: Chief Executive Officer

Title: _____

Signature: _____

Signature: _____

Date: _____

Date: _____

TEACHERS' RETIREMENT SYSTEM OF LOUISIANA

By: _____

Title: _____

Signature: _____

Date: _____

ATTACHMENT IV: COST PROPOSAL TEMPLATE

Instructions: All cost information must be provided using Cost Proposal Template, ATTACHMENT IV. All pricing must be fully burdened (inclusive of travel and all contract-related expenses).

OGB requires the same rate(s) for the entire contract term and any option period; provided, Contractor may decrease rates from year to year by contract amendment but not increase.

I. Maximum Monthly Fee (15 Points)

Using the format provided below, the Proposer shall provide the maximum monthly fee (inclusive of travel and all contract-related expenses) to be charged, regardless of which services or number or services listed in this RFP are provided in any billable month. The Proposer must agree to provide all services required under the resulting contract at the Proposer's risk, despite reaching the maximum monthly fee.

Maximum Monthly Fee \$ _____

II. Best Value per 100 Hours (15 Points)

Using the format provided below (more rows may be added to accommodate the listing of all applicable staff members), the Proposer shall include the staff member name, position title, hourly rate, and percentage of hours each staff member will typically work per 100 hours to provide the services described in this RFP. The hourly billable rates must be inclusive of travel and all contract-related expenses. **The Proposer shall provide a total blended hourly rate cost for evaluation purposes.**

Staff Member Name	Position Title	Hourly Billable Rate	% of 100 Hours	Cost
		\$		\$
		\$		\$
		\$		\$
		\$		\$
Total Cost				\$
Total Blended Hourly Rate Cost				\$

ATTACHMENT V: CERTIFICATION STATEMENT

The undersigned hereby acknowledges she/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.

OFFICIAL CONTACT. OGB requests that the Proposer designate one person to receive all documents in relation to the RFP and the method in which the documents are best delivered to the designated person. Identify the contact name and fill in the information below (Print Clearly):

Date: _____ Official Contact Name/Title: _____

A. E-mail Address: _____

B. Facsimile Number with area code: () _____

C. Telephone Number with area code: () _____

D. US Mail Address: _____

Proposer certifies that the above information is true and grants permission to OGB or Agencies to contact the designated person.

By its submission of this Proposal and authorized signature below, Proposer certifies that:

1. The information contained in its response to this RFP is true and accurate.
2. Proposer complies with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein.
3. Proposer accepts the procedures, evaluation criteria, mandatory Contract terms and conditions, and all other administrative requirements set forth in this RFP.
4. Proposer's quote is valid for at least ninety (90) calendar days from the date of Proposer's signature below.
5. Proposer understands that if selected as the successful Proposer, he/she will have either twenty **(20)** business days to complete the Contract negotiation period or ten **(10)** business days from the date of delivery of final Contract in which to complete contract negotiations, if any, and execute the final Contract document.
6. Proposer certifies, by signing and submitting a Proposal for \$25,000 or more, that Proposer, any subcontractors, and the principals of each, are not suspended or debarred by the General Services Administration (GSA) in accordance with the requirements in OMB Circular A-133. (A list of parties who have been suspended or debarred can be viewed via the internet at <https://www.sam.gov> .)

Proposer Name: _____

Signature of Proposer's
Authorized Representative: _____

Typed or Printed Name: _____

Title: _____

Date: _____

Address: _____

City: _____ State: _____ Zip: _____

Records Retention Schedule

Louisiana Secretary of State, Division of Archives, Records Management and History
Post Office Box 94125, Baton Rouge, LA 70804

<http://www.sos.id.gov>

SS ARC 932 (01/12) L2014-020

Page 1 of 7

Indicate Use of Form

 X RENEWAL

REPLACEMENT PAGE

Remarks

Post Office Box 94125, Baton Rouge, LA 70804										http://www.sos.la.gov	
Agency No		Agency / Division / Section		Division of Administration / Office of Group Benefits - Administration- HIPAA							
Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks		
		In Office	In Storage	Total Retention							
1	Unit Audit Reports (Information Accuracy Checks)	ACT + 1 CY		ACT + 1 CY	M	S	N	I	ACT = until end of CY in which administrative need ends		
2	Health Insurance Portability and Accountability Act Privacy and Security Policies and Procedures	ACT + 6 CY		ACT + 6 CY	M	S	N	I	ACT = until end of CY in which revised or superseded and agency ceases to operate		
3	Notice of Privacy Practices	ACT + 6 CY		ACT + 6 CY	M	S	N	V	ACT = until the end of the CY created or received		
4	HIPAA Compliance Documentation	ACT + 6 CY		ACT + 6 CY	M	S	N	V	ACT = until the end of the CY created or received		

Page 1 of 7
 Indicate Use of Form
 ORIGINAL SUBMISSION
☒ RENEWAL
 REPLACEMENT PAGE
 APPENDIX PAGE
 Remarks

Agency Approval

Date Signed _____

Secretary of State State Archives & Records Administration

At the same time, the *Journal of the American Medical Association* (JAMA) published a letter from the American Medical Association (AMA) to the Surgeon General, expressing the AMA's concerns about the proposed regulation. The letter stated that the AMA believed that the proposed regulation would be "unfair and unreasonable" and that it would "interfere with the right of physicians to practice medicine as they see fit."

Records Retention Schedule

SS ARC 922 (01/12)

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22014-086

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total					
1	Internal Audit records (audited documents, reports, work papers, legislative audit reports)	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until the end of the CY in which report issued/project closed
2	Board and Committee Minutes	PERM		PERM	M	R	N	V	
3	Strategic Plan	ACT + 5 CY		ACT + 5 CY	P	S	N	I	ACT = until the end of the CY in which agency ceases to operate
4	Legal Files	ACT + 1 CY	9 CY	ACT + 10 CY	M	S	Y	V	ACT = until end of CY in which file is closed out
5	Board Election Materials	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until end of CY in which election results are certified
6	Publications	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until end of CY in which agency ceases to exist
7	Records Management Files (Retention Schedules, Disposal Requests, Transmittals)	ACT + 10 CY		ACT + 10 CY	M	S	N	V	ACT = until end of CY in which agency ceases to exist

Permitted Retention Period Abbreviations	Security Status Codes	State Records Center Use	Agency Abbreviations
ACT - Active Period (when used define term in remarks column)	P - Public Record	Y - Yes	
FY - Fiscal Year (July 1 - June 30)	M - May Contain Confidential Information	N - No	
CY - Calendar Year (Jan 1 - Dec 31)	C - Confidential Information		
AY - Academic Year (Aug 1 - July 31)	A - Transfer to State Archives	Vital Records Identification Code	
FFY - Federal Fiscal Year (Oct 1 - Sept 30)	R - Retain in Agency Archives	V = Vital	
MO - Months WK - Week DY - Day(s)	S - Review by State Archives	I = Important	
PERM - Permanent	O - Other (Specify in Remarks)	U - Useful	

Agency Approval

Date Signed

Secretary of State, State Archives & Records Services

Date Approved

[Signature]

12-30-14

[Signature]

Records Retention Schedule

SS ARC 932 (01/12)

http://www.sos.la.gov

Agency No		Agency / Division / Section		Division of Administration / Office of Group Benefits - Administration - General		Page 3 of 7		Indicate Use of Form	
Item Number		Records Series Title		Retention Period		Security		Archival	
				In Office	In Storage	Total Retention			
1	Special order forms, Personnel Action Requests, Travel Requests/Expense reports, requisitions and related correspondence/memos.	ACT + 2 CY	1 CY	ACT + 3 CY	M	S	Y	I	ACT = until end of the CY in which created or received.
2	General Correspondence (not related to other record series)	ACT + 2 CY	1 CY	ACT + 3 CY	M	S	Y	I	ACT = until end of the CY in which created or received.
3	Supervisor Files	ACT + 1 CY	1 CY	ACT + 2 CY	M	S	Y	I	ACT = until end of CY in which supervision ends.
4	Visitor sign-in/Sign - Out Sheets	ACT + 2 CY	3CY	ACT + 5 CY	M	S	Y	U	ACT = until end of CY in which created or received.
5	Time and Attendance Reports/Vendor Reports, PES, PPR, Leave requests, Overline documentation and related correspondence/memos.	ACT + 2 CY	3 CY	ACT + 5 CY	M	S	Y	V	ACT = until end of CY in which created or received.
6	Mail, Fax, Postage & Tracked Logs	ACT + 1 CY	2 CY	ACT + 3 CY	M	S	Y	I	ACT = until end of CY created or received.
7	Budget records	ACT + 5 CY		ACT + 5 CY	P	S	N	I	ACT = until the end of the CY created or received.
8	Contracts and agreements (including contract approval backup material)	ACT + 3 CY	7 CY	ACT + 10 CY	M	S	N	V	ACT = until end of CY in which contract or agreement expires or terminates.
9	Notice of Intent to Contract (NIC), Request for Proposals and Reports	ACT + 3 CY		ACT + 3 CY	M	S	N	V	ACT = until end of CY in which contract is awarded.

Permitted Retention Period Abbreviations		Security Status Codes		State Records Center Use		Agency Abbreviations	
ACT - Active Period (when used define term in remarks column)		P - Public Record		Y - Yes		PES = Personnel Evaluation System	
FY - Fiscal Year (July 1 - June 30)		M - May Contain Confidential Information		N - No		PPR = Personnel Performance Rating	
CY - Calendar Year (Jan 1 - Dec 31)		C - Confidential Information					
AY - Academic Year (Aug 1 - July 31)		Archival Processing Codes		Vital Record Identification Code			
FFY - Federal Fiscal Year (Oct 1 - Sept 30)		A - Transfer to State Archives		V = Vital			
MO - Months WK - Week DY - Day(s)		R - Retain in Agency Archives		I = Important			
PERM - Permanent		S - Review by State Archives		U = Useful			
		O - Other (Specify in Remarks)					

Agency Approval

Date Signed

Secretary of State, State Archives & Records Services

Date Approved

Records Retention Schedule

Louisiana Secretary of State, Division of Archives, Records Management and History
Post Office Box 94125, Baton Rouge, LA 70804

Http://www.sos.la.gov

SS ARC 932 (01/12)

Agency No		Agency / Division / Section		Division of Administration / Office of Group Benefits/ Flexible Benefits and Imaging Services		Retention Period		Security		Archival		State Records Center		Vital		Indicate Use of Form	
Item Number	Records Series Title	In Office	In Storage	Total Retention													Page 5 of 7 ORIGINAL SUBMISSION X RENEWAL REPLACEMENT PAGE ADDENDUM PAGE Remarks
1	Health Claims (including supplemental claims)	ACT + 10 CY		ACT + 10 CY	C	S	N	V									ACT = until end of CY in which agency ceases to operate.
2	Explanation of Benefits (EOBs)	ACT + 10 CY		ACT + 10 CY	C	S	N	V									ACT = until end of CY in which agency ceases to operate.
3	Medical Records	ACT + 10 CY		ACT + 10 CY	C	S	N	V									ACT = until end of CY in which agency ceases to operate.
4	Pre-determinations	ACT + 10 CY		ACT + 10 CY	C	S	N	V									ACT = until end of CY in which agency ceases to operate.
5	Case Management	ACT + 10 CY		ACT + 10 CY	C	S	N	V									ACT = until end of CY in which agency ceases to operate.
6	Medical Necessities	ACT + 10 CY		ACT + 10 CY	C	S	N	V									ACT = until end of CY in which agency ceases to operate.
7	Paid-In Vouchers	ACT + 10 CY		ACT + 10 CY	C	S	N	V									ACT = until end of CY in which agency ceases to operate.
8	Flexible Benefit Forms	ACT + 5 CY		ACT + 5 CY	C	S	N	V									ACT = until end of CY in which superseded, cancelled or revoked.
9	Flexible Benefit Master File	ACT + 10 CY		ACT + 10 CY	C	S	N	V									ACT = until end of CY in which agency ceases to operate.

Permitted Retention Period Abbreviations:
 ACT - Active Period (when used define term in remarks column)
 FY - Fiscal Year (July 1 - June 30)
 CY - Calendar Year (Jan 1 - Dec 31)
 AY - Academic Year (Aug 1 - July 31)
 FFY - Federal Fiscal Year (Oct 1 - Sept 30)
 MO - Months WK - Week DY - Day(s)
 PERM - Permanent

Security Status Codes
 P - Public Record
 M - May Contain Confidential Information
 C - Confidential Information
 Archival Processing Codes
 A - Transfer to State Archives
 R - Retain in Agency Archives
 S - Review by State Archives
 O - Other (Specify in Remarks)

State Records Center Use
 Y - Yes
 N - No
 Vital Record Identification Code
 V= Vital
 I = Important
 U= Useful

Agency Abbreviations

Agency Approval *[Signature]*

Date Signed *12-18-14*

Secretary of State, State Archives & Records Services *Carole Martin*

Date Approved *12/18/14*

Records Retention Schedule

Louisiana Secretary of State, Division of Archives, Records Management and History
Post Office Box 94125, Baton Rouge, LA 70804

Http://www.sos.la.gov

SS ARC 932 (01/12)

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Page 6 of 7	Indicate Use of Form ORIGINAL SUBMISSION X RENEWAL REPLACEMENT PAGE ADDENDUM PAGE Remarks
		In Office	In Storage	Total Retention						
1	Eligibility Records for Life and Health Insurance	ACT + 3 CY	PERM	PERM	M	R	N	V		ACT = until end of CY created or received. Microfilm after 3 years.
2	Life Insurance Beneficiary Forms (QGB and Outside agencies held by OGB)	PERM		PERM	C	R	N	V		
3	Hospital Audits, Statistical Reports and Work papers	ACT + 10 CY		ACT + 10 CY	M	S	N	I		ACT = until end of CY in which agency ceases to operate.
4	Fraud and Abuse Case files and logs	ACT + 10 CY		ACT + 10 CY	C	S	N	V		ACT = until end of CY in which agency ceases to operate.
5	Health Claim Audits and work papers (including over \$500 plan member check audits)	ACT + 5 CY		ACT + 5 CY	C	S	N	I		ACT = until end of CY in which audit is completed.
6	Special Reports (Outlier, Check Cycle)	ACT + 5 CY		ACT + 5 CY	M	S	N	I		ACT = until end of CY in which report is run.
7	Reviews (Medical and Chiropractic)	ACT + 10 CY		ACT + 10 CY	C	S	N	I		ACT = until end of CY in which agency ceases to exist.

Permitted Retention Period Abbreviations:
 ACT - Active Period (when used define term in remarks column)
 FY - Fiscal Year (July 1 - June 30)
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 AY - Academic Year (Aug 1 - July 31)
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Security Status Codes:
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 O - Other (Specify in Remarks)
 State Records Center Use:
 Y - Yes
 N - No
 Vital Record Identification Code:
 V - Vital
 I - Important
 U - Useful

Agency Abbreviations:

Agency Approval: *[Signature]*
 Date Signed: 12-18-14
 Secretary of State, State Archives & Records Services
 Date Approved: 12/18/14

SS ARC 032 (01/12)

<http://www.sos.la.gov>

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Medicinal Uses of Fennel

X RENEWAL

REPLACEMENT PAGE

ADDENDUM PAGE

Remarks

Date Approved _____

Louisiana Secretary of State, Division of Archives, Records Management and History
Post Office Box 94125, Baton Rouge, LA 70804

SS AFD 928 (01/12)

<http://www.sos.ia.gov>

Agency Approval		D - Other (Specify in Remarks)	Special
Date Signed	12-30-14	Secretary of State, State Archives & Records Services	Date Approved
		Carrie Martin, CEO	1/7/15

ATTACHMENT VII: IMAGING SYSTEM SURVEY COMPLIANCE AND RECORDS DESTRUCTION

In connection with OGB's electronic records retention requirements and within thirty (30) days of the Contract's effective date, Contractor shall complete a State Archives Imaging System Survey ("System Survey") and forward to OGB.Records@la.gov¹, or as otherwise directed by OGB. According to LAC 4:XVII.1305(A), the System Survey must contain the following information:

1. A list of all OGB records series² maintained/managed by Contractor's system;
2. The hardware and software used including model number, version number and total storage capacity;
3. The type and density of media used by Contractor's system;
4. The type and resolution of images being produced (TIFF class 3 or 4 and dpi);
5. Contractor's quality control procedures for image production and maintenance;
6. Contractor's system's back up procedures including location of back-up (on or off-site) and number of existing images; and
7. Contractor's migration plan for purging images from the system that have met their retention period.

OGB shall review the System Survey to make an initial determination of conformity with LAC 4:XVII.1305(A). Once OGB determines that Contractor's System Survey contains the requisite information, OGB will forward the System Survey to the Secretary of State. As a continuing requirement, any system changes necessitating a revised System Survey response must be submitted to the Secretary of State within ninety (90) days of the change. To ensure compliance with this rule, Contractor shall notify the Records Officer of these changes within sixty (60) days so that he or she may forward the appropriate information to the Secretary of State.

Further, to ensure compliance with OGB's Schedules (RFP Attachment VI) and applicable laws, Contractor shall not destroy any OGB records unless records are converted to digital images and thereafter approved for destruction or other disposition by the Secretary of State. Contractor shall request expedited authority to destroy or otherwise dispose of converted records by email to disposals@sos.louisiana.gov with "EDR_I2014-009 OGB [Contractor Name]" in the subject line, carbon copy to the Records Officer and OGB.Records@la.gov, and a description of the subject records per the OGB Schedules (such as "Actuarial Documents, scanned and inspected, for the week/month of X") in the body. Upon receiving approval of the Secretary of State to destroy or otherwise dispose of the requested records, Contractor shall commence destruction or other approved disposition of said records. Contemporaneously therewith, Contractor shall complete a Certificate of Destruction (SSARC 933) form which shall be forwarded to the Records Officer. All SSARC forms can be found on the Louisiana Secretary of State's website <http://www.sos.la.gov/HistoricalResources/ManagingRecords/GetForms/Pages/default.aspx>.

¹ If OGB makes a different designation, OGB will notify Contractor of the change and provide updated contact information.

² A records series is a group of related or similar records that may be filed together as a unit, used in a similar manner, and typically evaluated as a unit for determining retention periods. LAC 4:XVII.301(A). The records series listed in Contractor's imaging survey should correspond to the records series listed on the OGB official Record Retention Schedule, RFP Attachment VI.

ATTACHMENT VIII: ELECTRONIC VENDOR PAYMENT SOLUTION

In an effort to increase efficiencies and effectiveness as well as be strategic in utilizing technology and resources for the State and Contractor, the State intends to make all payments to Contractors electronically. The LaCarte Procurement Card will be used for purchases of \$5,000 and under, and where feasible, over \$5,000. Contractors will have a choice of receiving electronic payment for all other payments by selecting the Electronic Vendor Payment solution (EVP) or Electronic Funds Transfer (EFT). If you receive an award and do not currently accept the LaCarte card or EVP or have not already enrolled in EFT, you will be asked to comply with this request by choosing either the LaCarte Procurement Card and/or **ONLY** one (1) of the following options: EVP or EFT. You may indicate your acceptance below.

The **LaCarte** Procurement Card uses a Visa card platform. Contractors receive payment from state agencies using the card in the same manner as other Visa card purchases. Contractors cannot process payment transactions through the credit card clearinghouse until the purchased products have been shipped or received or the services performed.

For all statewide and agency term contracts:

- Under the LaCarte program, purchase orders are not necessary. Orders must be placed against the net discounted products of the contract. All contract terms and conditions apply to purchases made with LaCarte.
- If a purchase order is not used, the Contractor must keep on file a record of all LaCarte purchases issued against this contract during the contract period. The file must contain the particular item number, quantity, line total and order total. Records of these purchases must be provided to the Office of State Purchasing on request.

EVP method converts check payments to a Visa credit card thereby streamlining payments to your organization. Participants receive a credit card account number with unique security features. This card will have \$0 available funds until an invoice is approved for payment. As payments are approved, electronic remittance notifications are sent via email along with approval to charge the card for that amount. EVP requires no change to current invoice procedures; it is secure, and does not require your bank information. Charges may apply.

EFT payments are sent from the State's bank directly to the payee's bank each weekday. The only requirement is that you have an active checking or savings account at a financial institution that can accept Automated Clearing House (ACH) credit files and remittance information electronically. Additional information is available at:

<http://www.doa.la.gov/OSRAP/EFTforWebsite.pdf>.

To facilitate this payment process, you will need to complete and return both EFT enrollment forms found at: <http://www.doa.la.gov/Pages/osrap/Forms/Forms.aspx> and <http://www.doa.la.gov/OSRAP/EFTforWebsite.pdf>

If an award is made to your company, please check which option you will accept or indicate if you are already enrolled.

Payment Type Will Accept Already Enrolled

LaCarte

Choose **ONLY** One (1) of the following options:

Payment Type Will Accept Already Enrolled

EVP

EFT

Printed Name of Individual Authorized

Authorized Signature for payment type chosen

Date

Email address and phone number of authorized individual

ATTACHMENT IX: THIRD PARTY INFORMATION SECURITY QUESTIONNAIRE

State of Louisiana Division of Administration Office of Technology Services Information Security Questionnaire		
::Attn. Third Party::		
<p>The goal of this process is to provide The State with a clear and accurate understanding of your current Information Security investment and posture. With that goal kept in mind, please provide details, documents, future plans and anything else you feel would support your response and current state.</p> <p>It is very likely that an Information Security Team Member will request a quick call to confirm response details; if your preference is to discuss any specific area or the current status of information security at your organization as a whole; please complete the form below and note that in the response section.</p>		
Question		Response
General		
1.01	Please provide a count of active employees:	
1.02	Please provide a count of IT employees:	
1.03	Please provide a count of current active contractors or consultants that assist with IT projects or operations.	
1.04	How many employees do you currently have solely dedicated to Information Security in your organization?	
1.05	What is the average tenure of your Information Security staff?	

1.06	How many of those employees hold an Information Security certification? Please list the certifications	
Database		
2.01	What database platform is currently used by your application? (Please list version, and patch level. If multiple platforms are utilized please document this information for each)	
2.02	Is it currently encrypted? And if so via what method?	
2.03	Would The State be using a shared or dedicated database?	
2.04	Please describe all cases where a connection would be made to the production database.	
2.05	What is the current size of your database?	
2.06	Do you use database activity monitoring tools? What and why?	
2.07	Are database administrative functions and privileged user activity logged?	
System and Network		
3.01	Please provide full system diagram showing all levels of your application and network, please include remote offices, and DR sites as they apply.	
3.02	How many independent connections to the internet does your company maintain? Data Center, Office, DR Site, Etc. And who Provides these connections?	
3.03	What is the Operating System your application is currently using? Please list version, patch level, and include all application servers.	
3.04	Do you currently have licensed support for this Operating System(s)?	

3.05	Are the servers listed above Virtual or Physical Servers? If Virtual please list virtual management platform.	
3.06	Do you currently have a configured firewall placed behind all of your active internet connections? Please list model and software version.	
3.07	Does your firewall configuration use port level Access Control List? Do you currently allow non-standard ports? If so, please explain port and reason this is needed. If no port level filtering is done, please provide an explanation of why this is not needed.	
3.08	What is the frequency at which the firewall configurations are reviewed?	
3.09	Do you currently have a configured Intrusion Detection System for all connections to the internet? Please list model, software version, and provide the date of the last time it received signature updates.	
3.10	Is your IDS/IPS solution in-line of traffic and capable of preventing unauthorized, abnormal, or malicious traffic?	
3.11	Is your IDS/IPS currently being monitored? If so, please describe the process and frequency and who is currently facilitating that process	
3.12	What is the frequency at which the IDS/IPS configurations are reviewed?	
3.13	Do you currently have licensed support for both your firewall and IDS/IPS?	
3.14	Do you maintain up-to-date network infrastructure and administration procedures?	
3.15	Do you allow access to your routers via its console port only?	

3.16	Is router, firewall, and IDS/IPS access controlled through centralized authentication (TACACS, RADIUS, etc.)?	
3.17	What is the frequency at which access to router, firewall, and IDS/IPS is audited?	
3.18	Are all your networking devices at the latest patch level?	
3.19	Does your organization currently use Wireless connectivity at any location or datacenter? If so, please list the locations, configurations, security settings, and wireless controller or access point provider. If configured with a PSK - please list the length and Character Set.	
Antivirus		
4.01	Is there an explicit policy requiring anti-virus software on networked computers?	
4.02	What AV solution is deployed on workstations and servers?	
4.03	Do you scan all emails for viruses?	
4.04	Do you have centralized administration of virus control, such as distribution of signature updates, reporting, and policy enforcement and partner management?	
4.05	What is the frequency at which Antivirus signature definitions are updated?	
4.06	Does the virus checking software run in the background with established frequency of scanning etc.	
4.07	Are end-users prevented from disabling anti-virus software or modifying configured settings on personal computers or servers?	

Workstations / Endpoints		
5.01	How many workstations, laptops, and mobile devices does your organization currently have?	
5.02	Do you have a process\policy to manage these assets? Do you currently have accurate inventory counts? Is this process documented? Is it reviewed at some frequency? If so what frequency?	
5.03	Do you have a documented process for reporting lost or stolen devices? If so, what is that process?	
5.04	Please list all methods used for these devices to connect to your network or receive data from your network.	
5.05	Do you allow employees to connect personal devices to your network or receive company information? <u>If no</u> , please describe all controls used to detect or prevent this. <u>If yes</u> , please describe why and what methods are used to ensure the personal device meets configuration requirements.	
5.06	Please list the standard configuration of your workstations and laptops, please include os, applications, and patch level.	
5.07	Are operating system and software patches applied through a centralized management system? If so, what system is utilized? If no, how are systems configured to receive and apply patches?	
5.08	What is the frequency at which workstation / endpoint patches are applied?	
5.09	Please list all currently allowed Operating Systems for laptop and workstations	
5.10	Are your smart phone encrypted? If so, explain what method.	

5.11	Are workstations and laptop drives encrypted? If so, explain what method and configuration.	
Data Protection		
6.01	Are all system communications encrypted? Please list each one. Please make sure to include, web server/app server to database.	
6.02	Do you currently allow employees to use removable media? USB drives, CDs, DVDs, etc.? If yes, please explain what process this supports and why. If no, please list the method that is used to prevent removable media from being used.	
6.03	Do you have method to encrypt removable media?	
6.04	Do you have a process to report removable media lost or stolen?	
6.05	Do you currently have any data loss prevention technology deployed?	
6.06	Do you have a process for periodically reviewing configured data loss prevention policies? If yes, what is the frequency?	
6.07	Are Data Loss Prevention controls re-evaluated as systems and information changes?	
6.08	Do you have a documented data handling process or policy? If so, please provide.	
6.09	Please describe in detail what methods are used to protect your data from being accessed by unauthorized users and methods used to keep data held within your organization.	
6.10	How do you prevent other clients from accessing your data?	

Incident Response / Management		
7.01	Do you have a documented Incident Response plan? If so, please provide.	
7.02	When was the last time this was reviewed or executed in a practical exercise?	
7.03	Do you have an identified Incident Response Team? If so, please list the titles of the individuals on the team and their responsibilities during an incident.	
7.04	Do you currently have approved budget available and accounted for to deal with the cost of managing an incident?	
7.05	How will the State be notified if a breach or security incident occurs where the State information is stored?	
7.06	Do you plan to work with any third party during the incident response process? If so, who?	
Continuity Plan / Backups		
8.01	Do you have a business Continuity Plan?	
8.02	How often is the DR fail-over option tested? Has this ever been tested?	
8.03	Where are the backups stored? Offsite locations? Replicated to DR site?	
8.04	Are backups encrypted during or after backup? Please provide an overview of the process for both system and database backups.	
8.05	What is the current frequency for obtaining backups and what is your current retention for these backups? Please list all, system, file, database, etc.	
8.06	Are manual backup/restore procedures documented and practiced in case of automatic backup failure?	

8.07	Can you meet recovery time objective(s) (RTO) and recovery point objective(s) (RPO) for all products and services contracted?	
8.08	Do you have redundant public utilities connections?	
8.09	Do you employ UPS (Uninterrupted Power Supply), Battery Banks, Generators, etc.?	
8.10	Do you employ fire/flood detection and suppression systems?	
Software Development Life Cycle		
9.01	Do you have a documented SDLC?	
9.02	What technology is used for the proprietary software? PHP/.Net/Java/etc.	
9.03	Do you have a physically separated Test and Dev. environment? If so, please provide description of location, internet connection, and how it is accessed.	
9.04	Do you currently have a documented repeatable process to de-identify PII or PHI from your production database to support troubleshooting, testing, or development? If so, what fields of data are in scope of this process?	
9.05	Do you have a process for peer code review? Is this process documented?	
9.06	Do you have a tool that systematically reviews code for vulnerabilities? If so, what system is used? Do you have licensed support for this system/solution?	
9.07	Do you have a process to scan your internet facing solution components to identify vulnerabilities? If so, what is the solution and the frequency of the process?	

9.08	If the State identifies a vulnerability, what is the SLA for correcting? (this is after communication and agreement of the vulnerability)	
Software Solution		
10.01	List access control methodologies used in all layers of the solution (end-user identification, authentication and authorization).	
10.02	If the solution uses password-based authentication, are controls available in the solution over construction of passwords, how often they must be changed?	
10.03	Does this solution require access from outside of your network (remote access) by its users?	
10.04	How is security managed within the solution?	
10.05	Does the solution integrate with any services for authentication and group membership?	
10.06	Does the solution allow for the State to create user accounts within the application?	
10.07	Does the solution integrate with any third-party web single sign-on products?	
10.08	Is LDAP authentication supported?	
10.09	Describe how you update your administrative solutions (manual, unattended, web update, and so on)?	
10.10	What level admin access is required to perform updates?	
10.11	Does running the solution require root or administrator access? Please specify.	

10.12	Does the solution have the ability to support multiple levels of security to provide different access levels (e.g. administrators and users)?	
10.13	Can the solution be set to automatically log a user off the solution after a predefined period of inactivity?	
10.14	Does the solution prohibit users from logging into the solution on more than one workstation at the same time with the same user ID?	
10.15	Can the system administrator enforce password policy and/or complexity such as minimum length, numbers and alphabet requirements, and upper and lower case constraint, etc.?	
10.16	Can the solution be set to automatically lock a user's account after a predetermined number of consecutive unsuccessful logon attempts?	
10.17	Can the solution support the removal of a user's access privileges without requiring deletion of the user account?	
10.18	Does the solution/system provide provisions for logging user activity and to what level of granularity?	
10.19	Is it safe and appropriate to deploy this solution as Internet-facing? What security safeguards are inherent in the product to protect against web solution vulnerabilities such as but not limited to SQL-injection, cross site scripting, web-site defacement or hijacking, etc.?	
10.20	Should the solution be protected by a solution proxy? If so, provide details.	
10.21	Does the solution have the ability to detect and report repeated unsuccessful attempts of system use and trigger warning messages and preventative measures?	

10.22	Does the solution have the ability to disable display of specific fields or forms for certain users based on roles and responsibilities?	
10.23	Does the solution/system have provisions for terminating inactive sessions?	
Audit Logging		
11.01	Please describe all audit logs that are kept and their retention period.	
11.02	Do you currently have a solution to correlate logs? And/or provide alerts for events?	
11.03	Do you log successful and denied authentication requests to all levels of your systems, database, and solution?	
Physical Security		
12.01	Is access to the data center which houses the servers and systems that the application runs on protected from general access? If yes, describe which controls are in place.	
12.02	If the application servers and systems are stored in a commercial data center, are they physically isolated from other customers' servers and systems (locked cages, isolated rooms, etc.)? If yes, please describe the controls in place.	
12.03	Please list the number of personnel and the roles which are permitted access to the data center.	
12.04	Is there a procedure for granting access to unauthorized users? Does this procedure include an escort policy with sign in and sign out restrictions?	
12.05	Is there a procedure for granting contractor access to the data center for structural upgrades or equipment installation?	
12.06	How frequently is data center access reviewed?	

12.07	Are any detective controls (cameras, motion sensors, etc.) deployed in the data center? If yes, how frequently are they reviewed?	
Document Request		
13.00	<u>Please Provide the following Documents:</u>	
	<p align="center"> Documented Information Security Policy Network Topology diagram – to include production, test, dev., and office servers and workstations Any security assessment performed in the last 24 months Incident Response Policy, Plan, and Process </p>	
	<u>Please also provide a list of all your applications or solution names in scope:</u>	