

REQUEST FOR PROPOSALS

PRESCRIPTION DRUG SAVINGS PROGRAM



RFP#: 3000013593

PROPOSAL DUE DATE: OCTOBER 25, 2019

**STATE OF LOUISIANA
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 a Prescription Drug Savings Program (“PDSP” or “Program”) to identify potentially unnecessary, costly prescription drug spend and to decrease the pharmacy spend for the OGB self-funded health care program administered through OGB’s Pharmacy Benefits Manager (“PBM”). MedImpact Healthcare Systems, Inc. (“MedImpact”) is the current PBM. The PDSP is intended to provide quality care to Plan Participants via a rules-driven, real-time, non-disruptive program that creates additional savings with minimal impact on the participating population.

At all times, the PDSP must be in compliance with all applicable laws, including but not limited to the Health Insurance Portability and Accountability Act (“HIPAA”) and the Patient Protection and Affordable Care Act (“PPACA”).

The PDSP must decrease expense while not decreasing the care or options to OGB Plan Participants. Savings should be guaranteed above any applicable fees.

The program shall be accomplished with no benefit design or formulary changes, no additional prior authorization or step therapy components, and no negative impact to current rebates received through OGB’s PBM or to any rebates received through a successor PBM for OGB. OGB will be the final arbiter of whether a drug change proposal will be implemented.

Note: The OGB formulary can be changed upon agreement by OGB and OGB’s PBM. The benefit design can be changed by rule any time OGB revises the rule.

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. This information is factual and is not a warranty or representation by OGB of future participation or experience. 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 certain 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 coverage, 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 fully-insured plans. For pharmacy benefits, OGB currently contracts MedImpact for a carved-out pharmacy program. OGB’s self-funded plans other than the Pelican HSA 775 utilize MedImpact’s pharmacy network providers.

The plans for which the PDSP will be applicable are as follows:

- **Pelican HRA 1000**
- **Magnolia Local**

- **Magnolia Local Plus**
- **Magnolia Open Access**

The Plan Participant population serviced through the OGB PBM (currently MedImpact) will be the focus of this RFP. Pharmacy benefits for the Pelican HSA 775 plan are administered through a vendor of Blue Cross and Blue Shield of Louisiana. Additional health plan offering information can be found by accessing <https://info.groupbenefits.org/>. Information on the pharmacy benefits offered through MedImpact, as well as the current formulary, can be found at the following links:

<https://mp.medimpact.com/brandcontentprovider/OGB/MP/OGB%20Full%20Formulary.pdf>

https://www.myvibrantx.com/brandcontentprovider/YOURPLAN/MVS04_planInfo/pdf/S3285_Comprehensive_Formulary_EGWP_OGB_2019.pdf

Each Proposer that completes and returns Attachment IX: Data Use Agreement for Limited Data Set by the specified deadline, 4PM CT September 16, 2019, via email to OGB.Proposals@la.gov along with the email of the authorized signatory will receive an electronic copy of data to be utilized in the formulation of the Proposal. This data will be submitted via secured email to the authorized signatory. OGB will not accept requests after the specified deadline.

1.3 Goals and Objectives

1. To provide quality, cost-effective healthcare services to Plan Participants via a legally-compliant, rules-driven, real-time, non-disruptive program that creates additional prescription drug savings with minimal impact on the participating population
2. To establish a Contract with a qualified Prescription Drug Savings Program Contractor that will assist OGB in reduction of prescription drug costs for the OGB self-insured health plans (Pelican HRA 1000, Magnolia Local, Magnolia Local Plus, and Magnolia Open Access) other than the Pelican HSA 775.

1.4 Term of Contract

The initial term of any Contract resulting from this RFP shall begin on or about February 1, 2020, and is anticipated to end on January 31, 2023, unless otherwise terminated in accordance with the termination provisions of the Contract. 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. 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 Louisiana Legislature to fulfill the requirements of the Contract.

1.5 Definitions

Commercial Prescription Drug Plan – OGB’s prescription drug plan(s) covering active employees and non-Medicare eligible retirees.

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

EGWP – Employer Group Waiver Program prescription drug plan for Medicare Part D eligible retirees.

HIPAA – Denotes Health Insurance Portability and Accountability Act.

OGB CEO – Denotes the Office of Group Benefits Chief Executive Officer.

OSP – Denotes Office of State Procurement.

PBM - Pharmacy Benefits Manager.

PDSP - Prescription Drug Savings Program.

PHI – Protected Health Information.

PII – Personally-Identifiable Information.

Proposal – Denotes a response to a RFP.

Plan Participant(s) – Denotes the employee/retiree and their eligible dependents who are entitled to covered benefits through OGB’s self-insured health plans (Pelican HRA 1000, Magnolia Local, Magnolia Local Plus, and Magnolia Open Access) other than the Pelican HSA 775, as identified in the eligibility data file prepared, maintained and as determined by OGB, and delivered to the Contractor.

Primary Plan Participant(s) – Denotes the Plan Participant whose relationship with OGB governs the coverage under the Plan.

Plan – Denotes OGB’s defined health benefit plan pursuant to which covered benefits are provided to Plan Participants.

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

Return on Investment (“ROI”) – Denotes a performance measure used to evaluate the efficiency of an investment. ROI measures the amount of return on an investment relative to the investment’s cost.

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	September 9, 2019
Data Use Agreement for Limited Data Set Due	September 16, 2019
Deadline for Receipt of Written Inquiries	4:00 pm CT, September 23, 2019
Issue Responses to Written Inquiries	October 11, 2019
Deadline for Receipt of Proposals	4:00 pm CT, October 25, 2019
Oral Presentations, if required	To Be Scheduled
Notice of Intent to Award Announcement	To Be Scheduled
Begin Implementation	To Be Scheduled
Contract Effective Date	February 1, 2020

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 pursuant to the requirements of Sections 1.9 Proposal Response Format and 1.10 Number of Copies of Proposals. 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:

Prescription Drug Savings Program

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 Qualification

Proposers must be authorized to transact business in the State of Louisiana prior to the deadline for receipt of Proposals. A brief statement confirming that the Proposer meets the Mandatory Qualification shall be included in the Proposal. A copy of Proposer's Certificate of Authority from the Secretary of State of Louisiana should be submitted with the Proposal if the Proposer is a foreign corporation.

1.8.2 Desirable Qualifications

It is desirable that Proposers should have at least five years of experience providing prescription drug savings services to public sector or state government self-funded health plan clients, similar to services requested in this RFP, prior to the deadline for receipt of Proposals.

It is desirable that Proposers have provided prescription drug savings services to health plans with an existing or concurrent PBM for that plan.

It is desirable that Proposers demonstrate experience providing savings results without disruption to plan participants or interference with existing rebates received through an existing or concurrent PBM.

Proposers should provide at least three examples of recent experience implementing their services that are similar to those services requested through this RFP, providing the name of the entity (client), name of PBM, and cost savings reports that exemplify how their services were successful.

A brief statement confirming that the Proposer meets or exceeds the Desirable Qualifications should be included in the Proposal.

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 statement that the Proposer has not had a record of substandard work within the past five (5) years;

- 3) Statement of whether the Proposer has, in force, insurance coverage that meets the requirements specified in Section 1.33 Insurance Requirements for Contractors, 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 statement that the Proposer has not engaged in and/or been prosecuted for any unethical practices within the past (5) years.

The executive summary should include a positive statement of compliance with the Contract terms contained in the Sample Contract, Attachment II. 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 II, Business Associate Addendum, Attachment III, and submit whatever exceptions or exact Contract modifications that it may seek. 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 Contract 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, corporate or organization structure, number of years in business, and copies of its latest financial statement, preferably audited. 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 of comparable size and diversity with references from previous clients including client name, address, industry, contact person and title, telephone number, and email address. OGB reserves the right to request additional information to assure OGB of a Proposer's experience and capabilities.

Proposers should clearly describe their ability to exceed the mandatory qualification set forth in Section 1.8.1 and include any supporting documentation. Proposer should clearly describe how it meets or exceeds 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 February 1, 2020, 12:00 am CT, IT or 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 process flow of how your prescription drug savings program works, from identification of the potential savings to the outreach to plan participants and providers;
- Provide a detailed report of how the analyses are completed and how savings are achieved keeping in mind the requirements that no disruption occur. This should be provided separately for the Commercial (active and non-Medicare eligible retiree) Prescription drug plan and the Employer Group Waiver Program (EGWP) prescription drug plan;
- Provide the proposed procedure to ensure that any recommended prescription drug changes will have no negative effect on the current plan or rebates OGB receives, incorporating a process in which input is received from OGB's existing or concurrent PBM.
- Detail the interaction and method for exchange of information with OGB's existing or concurrent PBM. State if Proposer will agree to sign any confidentiality or nondisclosure agreements required by OGB and its PBM to ensure that third party proprietary information is protected.
- Agree that if required by OGB, before engaging with plan participants and/or providers to effect a prescription drug change, the selected Proposer may be required to receive prior approval from OGB. OGB's approval determination will be based on the net effect of the selected Proposer's forecasted savings, as compared with existing rebates from the current PBM. OGB will be the final arbiter of whether a drug change proposal will be implemented. Any determination regarding whether rebates would be negatively impacted by the prescription drug savings program will be determined by OGB, in consultation with its financial, operational and actuarial advisors.
- Agree that it will cooperate with OGB in a monthly reconciliation and offset process, which will be utilized to gauge savings, taking into account rebates, any additional cost or expense to OGB, against the monthly administrative fee to be paid to the successful Proposer. If the return on investment or savings do not materialize, OGB reserves the right to end the Contract with 30 days' notice.
- Describe your Medication Therapy Management program and how it integrates with OGB's PBM's programs;
- Provide a work sample of any communication materials necessary for the proper administration of the proposed program;

- Describe the proposed outreach to physicians and/or plan participants in regard to the program;
- Provide an overview of the methodology to determine savings;
- Provide and explain in detail the proposed return on investment (ROI) guarantees to be provided on an annual basis. List the savings and measurements that are included in the ROI provided.
- 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”) privacy and security; and
- Include responses to all questions in Attachment I: Technical Questionnaire.

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 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 information should also specifically include the role and responsibilities of each person on this project, their planned level of effort, and their anticipated duration of involvement. Client references (name, title, company name, address, e-mail address, and telephone number) should be provided for the cited projects in the individual resumes.

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

Each Proposer should address how the firm will meet the following:

The State of Louisiana Veteran and Hudson Initiatives are designed to provide additional opportunities for Louisiana-based small entrepreneurships (sometimes referred to as LaVet's and SE's respectively) to participate in contracting and procurement with the State. A certified Veteran-Owned and Service-Connected Disabled Veteran-Owned small entrepreneurship (LaVet) and a Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) small entrepreneurship are businesses that have been certified by the Louisiana Department of Economic Development. All eligible vendors are encouraged to become certified. Qualification requirements and online certification are available at:

<https://smallbiz.louisianaeconomicdevelopment.com>.

If a Proposer is not a certified small entrepreneurship as described herein, but plans to use certified small entrepreneurship(s), Proposer shall include in their 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.

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 or distributor participation and the dollar amount of each.

In RFP's requiring the compliance of a good faith subcontracting plan, the State may require Proposers to submit information on their business relationships and arrangements with certified LaVet or Hudson Initiative subcontractors at the time of proposal review. Agreements between a Proposer and a certified LaVet or Hudson Initiative subcontractor in which the certified LaVet or Hudson Initiative subcontractor promises not to provide subcontracting quotations to other Proposers shall be prohibited.

In performing its evaluation of proposals, the State reserves the right to require a non-certified Proposer to provide documentation and information supporting a good faith subcontracting plan. Such proof may include contracts between proposer and certified Veteran Initiative and/or Hudson Initiative subcontractor(s).

If a Contract is awarded to a Proposer who proposed a good faith subcontracting plan, the using agency, the Louisiana Department of Economic Development (LED), or the Office of State Procurement (OSP) may audit Contractor to determine whether Contractor has complied in good faith with its subcontracting plan. The Contractor must be able to provide supporting documentation (i.e., phone logs, fax transmittals, letter, e-mails) to demonstrate its good faith subcontracting plan was followed. If it is determined at any time by the using agency, LED, or the OSP Director that the Contractor did not in fact perform in good faith its subcontracting plan, the Contract award or the existing Contract may be terminated.

The statutes (La. R.S. 39:2171 *et. seq.*) concerning the Veteran Initiative may be viewed at: <http://www.legis.la.gov/Legis/Law.aspx?d=671504>.

The statutes (La. R.S. 39:2001 *et. seq.*) concerning the Hudson Initiative may be viewed at: <http://www.legis.la.gov/Legis/Law.aspx?d=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.la.gov/pages/osp/se/secv.aspx>.

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: <https://smallbiz.louisianaeconomicdevelopment.com>

Additionally, a list of Hudson and Veteran Initiative small entrepreneurs, 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.

This may be accessed from the State of Louisiana Procurement and Contract (LaPAC) Network:

<https://wwwcfprd.doa.louisiana.gov/OSP/LaPAC/vendor/VndPubMain.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.

A. Twelve percent (12%) of the total evaluation points in this RFP are reserved for Proposers who are certified small entrepreneurs, or who will engage the participation of one or more certified small entrepreneurs as subcontractors. Reserved points shall be added to the applicable Proposer's evaluation score as follows:

B. Proposer Status and Allotment of Reserved Points

- i. If the Proposer is a certified Veterans Initiative small entrepreneurship, the Proposer shall receive points equal to twelve percent (12%) of the total evaluation points in this RFP.
- ii. If the Proposer is a certified Hudson Initiative small entrepreneurship, the Proposer shall receive points equal to ten percent (10%) of the total evaluation points in this RFP.
- iii. If the Proposer demonstrates its intent to use certified small entrepreneurship(s) in the performance of Contract work resulting from this solicitation, the Proposer shall receive points equal to the net percentage of Contract work which is projected to be performed by or through certified small entrepreneurship subcontractors, multiplied by the appropriate number of evaluation points.
- iv. The total number of points awarded pursuant to this Section shall not exceed twelve percent (12%) of the total number of evaluation points in this RFP.

IF PROPOSER IS A CERTIFIED LA VET OR HUDSON SMALL ENTREPRENEURSHIP, PROPOSER MUST NOTE THIS IN ITS PROPOSAL IN ORDER TO RECEIVE THE FULL AMOUNT OF APPLICABLE RESERVED POINTS.

IF PROPOSER IS NOT CERTIFIED, BUT HAS ENGAGED ONE OR MORE LAVET OR HUDSON CERTIFIED SMALL ENTREPRENEURSHIPS TO PARTICIPATE AS SUBCONTRACTORS, PROPOSER SHALL PROVIDE THE FOLLOWING INFORMATION IN ORDER TO OBTAIN ANY APPLICABLE HUDSON/VETERAN INITIATIVE POINTS:

LaVet or Hudson certified small entrepreneurship Subcontractor information:

Circle which initiative applies: HUDSON INITIATIVE VETERAN INITIATIVE

Subcontractor Name: _____

Detailed Description of Work to be Performed:

Anticipated Dollar Value of the subcontract for the three-year Contract term: _____

*Note – it is not mandatory to have a Hudson/Veteran Initiative subcontractor. However, it is mandatory to include this information in order to obtain any allotted points when applicable.

If multiple Hudson/Veterans subcontractors will be used, repeat the above required information. Additionally, provide a sufficiently detailed description of each subcontractor's work so as to advise if services are duplicative or overlapping, or if services constitute a distinct scope of work from each other subcontractor.

H. Cost Proposal

All cost information shall be provided using the Cost Proposal Template, Attachment IV. Any deviation to the template will be deemed non-responsive.

The Proposer shall provide one Per Primary Plan Participant Monthly Administrative Fee for providing all services listed in Section 2, Scope of Services of this RFP. This fee shall be inclusive of travel and all Contract-related expenses and should be reflective of the Proposer's approach and methodology. The proposed Per Primary Plan Participant Monthly Administrative Fee will be used to calculate score points using the formula specified in Section 3.1 Evaluation and Review of the RFP. OGB shall require the same Per Primary Plan Participant Monthly Administrative Fee for the entire Contract term and any option period; provided, Contractor may decrease but not increase the Monthly Fee from year to year by Contract amendment.

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 1, Type II and/or SOC 2, Type II report resulting from its most recent Statement on Standards for Attestation Engagements No. 18 (SSAE 18) audit. As an alternative to a SSAE 18 engagement and resulting SOC 1, Type II and/or SOC 2, Type II report, if approved by OGB, Contractor may provide a quality control plan [such as third party Quality Assurance (QA), an Independent Verification and Validation (IV & V)], or any other independent Contractor project or performance review or audit report.

Cost of the audit/validation shall be borne solely by the Proposer. The results of such audit/validation will be evaluated under the Technical Approach.

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 both PDF and Word formats. **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 both Word and Excel formats. **All should be clearly marked “Cost Proposal”.**
- If applicable (see Section 1.14), 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 Sections 1.9 and 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, with all questions answered in as much detail as practicable, are desirable. The Proposer’s responses 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 operations and Plan Participants 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 access, 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 (other than protected health 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 OGB Plan Participants without prior express written approval of the OGB CEO or his/her delegee.

Contractor shall not permit PHI or PII to be disclosed to, accessed by, or used by any individual or entity outside of the territorial and jurisdictional limits of the fifty (50) United States of America. As used in this paragraph, PHI refers to protected health information as defined by the Health Insurance Portability and Accountability Act of 1996, and regulations promulgated thereunder by the U.S. Department of Health and Human Services, as amended from time to time.

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. The cost proposal will not be considered confidential or proprietary under any circumstance. 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 its 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 shall also submit a redacted copy of its Proposal along with the 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 as stated in Section 1.10. Provided the Proposer has fully complied with all requirements of this Section, 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 legislative auditor, and other State agencies or organizations for the purpose of assisting the State in its evaluation of the Proposal, or as otherwise provided by law. 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.

Proposer's signature on the Certification Statement, Attachment V, signifies its understanding of and compliance with this Section and the requirements herein for claiming any type of confidentiality of information submitted as part of its Proposal.

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 or supplement 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 on behalf of OGB to Proposer's questions. 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 applicable law. Further, failure to comply with these requirements may result in any involved Proposal's disqualification.

Any costs associated with preparation of a Proposal, even if the solicitation is cancelled, terminated, no Contract results therefrom, or the bidder is disqualified, for any reason, 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;
- 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 September 9, 2019, 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 or omissions 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 received by the OGB RFP Coordinator/Blackout Period Contact on or before the Proposal deadline.

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 reserves 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 Records

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. This applies whether or not the RFP is discontinued, cancelled, or withdrawn or whether or not a Contract results therefrom.

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.).

In accordance with La. R.S. 39:1624(A)(10), the Louisiana Department of Revenue must determine that the prospective Contractor is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the State and collected by the Department of Revenue prior to the approval of a Contract by the Office of State Procurement. The prospective Contractor hereby attests to its prospective compliance, and agrees to provide its seven-digit LDR Account Number to OGB so that the prospective Contractor's tax payment compliance status may be verified. The prospective contractor further acknowledges understanding that issuance of a tax clearance certificate by the Louisiana Department of Revenue is a necessary precondition to the approval of a Contract by the Office of State Procurement and the effectiveness of such Contract. OGB reserves the right to withdraw its consent to the Contract without penalty and proceed with alternate arrangements should the Contractor fail to resolve any identified apparent outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of such notification.

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:V.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 of Proposer's responsibility 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, Proposal, and any resulting Contract. This general requirement notwithstanding, Proposers may enter into subcontractor arrangements, but shall acknowledge in their Proposals total responsibility for the entire Contract. Proposers may not subcontract for the entire scope of services specified in the RFP.

If the Proposer intends to subcontract for portions of the work, the Proposer shall identify any subcontractor relationships and include specific designations of the tasks to be performed by the subcontractor. See Section 1.9 G regarding additional requirements for subcontractors that are

Certified Veteran/Hudson Initiative small entrepreneurships. 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 subcontractor work.

Unless provided for in the Contract with OGB/State, the prime Contractor shall not contract with any other party for any of the contracted services 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 each Proposer proposes to meet OGB's program objectives.

OGB, at its sole discretion, may require a second round of oral presentations by all Proposers reasonably susceptible of being selected for the award, to further define how each Proposer will meet OGB's program objectives.

OGB reserves the right to adjust the original scores based upon information received in the presentation(s), if any, using the original evaluation criteria. Commitments made by the Proposer at the oral presentation(s), 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 cost, technical capabilities, and the other evaluation factors set forth in the RFP. The evaluation team may consult subject matter expert(s) to serve in an advisory capacity regarding any proposer or proposal. Such input may include, but not be limited to, analysis of Proposer financial statements, review of technical requirements, or preparation of cost score data.

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 for a BAFO, 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 and/or to obtain the most cost effective pricing, performance guarantees, and other negotiable terms 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 Proposals received.

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

The RFP, including any addenda, 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 II, 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 that is substantially the same as Attachment III. 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 presented by OGB 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 with the highest score.

OGB/State will notify the successful Proposer 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 any other approvals required by applicable law, 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. seq.*), 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 to the Chief Procurement Officer within fourteen (14) calendar days after the agency issues a Notice of Intent to award a contract.

The award of a Contract shall be subject to the approval of the Division of Administration, Office of State Procurement, and other approvals required by applicable law.

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

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE

1. **Workers Compensation**

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. **Commercial General Liability**

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general annual aggregate of \$2,000,000. The Insurance Services Office (ISO) Commercial General Liability occurrence coverage form CG 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. Claims-made form is unacceptable.

3. **Professional Liability (Errors and Omissions)**

Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed.

4. **Automobile Liability**

Automobile Liability Insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

5. **Cyber Liability**

Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of

\$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 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 premium.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. OTHER INSURANCE PROVISIONS

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

1. Commercial General Liability, Automobile Liability, and Cyber Liability Coverages

- a. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.
- b. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

- a. All policies must be endorsed to require 30 days written notice of cancellation to the Agency. 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. In addition, Contractor is required to notify Agency of policy cancellations or reductions in limits.
- b. The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall

not 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 Agency 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 Agency, its officers, agents, employees and volunteers.

D. ACCEPTABILITY OF INSURERS

1. All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.
2. 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 within 30 days.

E. VERIFICATION OF COVERAGE

1. Contractor shall furnish the Agency 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 Agency before work commences and upon any contract renewal or insurance policy renewal thereafter.
2. The Certificate Holder Shall be listed as follows:

State of Louisiana
Office of Group Benefits, Its Officers, Agents, Employees and Volunteers
Address, City, State, Zip
Project or Contract #:
3. In addition to the Certificates, Contractor shall submit the declarations page and the cancellation provision for each insurance policy. The Agency reserves the right to request complete certified copies of all required insurance policies at any time.
4. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this contract, at the election of the Agency, 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.

F. SUBCONTRACTORS

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

G. 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, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

1.34 Indemnification and Defense

- 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 the State, all State departments, Agencies, Boards, and Commissions, its officers, trustees, employees, servants, subcontractors, agents, and volunteers (collectively the "State"), 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 ("Claims/Costs") 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 of Contractor, its employees, agents, partners, or subcontractors/vendors. Contractor shall not be required to indemnify for that portion of any Claim/Cost arising due solely to the negligent or intentional act or failure to act of the State.
- b) Contractor shall further indemnify and defend the State from and against any Claims/Costs resulting from any violation of or failure to comply with any state or federal law, or other legal or Contract requirement to the extent caused by Contractor, its agents, employees, partners or subcontractors. Contractor shall not be required to indemnify for that portion of any Claim/Cost arising due solely to the negligent or intentional act or failure to act of the State.

- c) Contractor shall fully protect, defend, and indemnify, the State 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 this Contract, including but not limited to 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.
- d) If applicable, Contractor will protect, defend, and indemnify, the State, its officers, trustees, employees, servants, subcontractors, agents, and volunteers, from and against all Claims/Costs which may be assessed against the State 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 the 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.
- e) 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 the 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.
- f) 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 the Contract due to financial hardship or insolvency.
- g) Contractor agrees to investigate, handle, respond to, provide defense for and defend any Claims/Costs at its sole expense and agrees to bear all other costs and expenses related thereto, even if the Claims/Costs are groundless, false or fraudulent.
- h) The OGB/State may, in addition to other remedies available at law or equity to the OGB/State, and upon notice to Contractor, retain such monies from amounts due or to become due to Contractor, or may proceed against the performance bond, if any, as may

be necessary to satisfy any Claims/Costs asserted by or against the OGB/State, for which Contractor owes indemnification and/or defense pursuant to this Section.

- i) Upon notice of any claim, demand, suit, or cause of action against the OGB/State arising out of or related to this Contract, Contractor agrees to investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. The OGB/State may, but is not required to, consult with the Contractor, but this shall not affect the Contractor's responsibility under 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 by Contractor of the described services and deliverables as provided in the Contract and written approval by OGB. 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 will be via 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 invoice OGB monthly for payment within five (5) business days after the end of each month. Upon validation of the invoice, OGB shall render payment of undisputed amounts within thirty (30) days. Payment will be made according to Attachment VIII.

1.36 Termination of the Contract for Cause

State may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) calendar days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) calendar days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation 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 this Contract, provided that the Contractor shall give the State written notice specifying the State agency's failure and 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 at least 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, as applicable. 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 OGB CEO or his/her delegee. This provision shall not be construed to prohibit Contractor from assigning its 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 Contract Supervisor and shall not be binding upon the State until actually received by the State.

1.38 Right to Audit

The State Legislative Auditor, federal auditors, internal auditors of the Division of Administration and its/their 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/vendor 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 for the subcontractor/vendor, for a period of five (5) years from the date of final payment under the subcontract, or such longer period as required by applicable laws. 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/vendor 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 or subsequent 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 Records

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/vendors in connection with the performance of the services under the Contract shall become records 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 law, 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, provided, the confidentiality and security requirements of this Contract shall apply to such Records as long as retained by the Contractor. Additionally, all State data must be sanitized from Contractor's (and its vendors') systems in compliance with the most current revision of NIST SP 800-66.

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 enforced 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). After exhaustion of any available administrative remedies, the exclusive 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 ensure that there will be no conflict or violation of the Louisiana Ethics Code if awarded the Contract. The Louisiana Board of Ethics is 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.

1.48 Prohibition of Discriminatory Boycotts of Israel

In preparing its response, the Proposer has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with the specific intent to accomplish a boycott or divestment of Israel. Proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting actions. The State reserves the right to reject the response of the proposer if this certification is subsequently determined to be false, and to terminate any Contract awarded based on such a false response.

1.49 Performance Bond

Unless issuance of such bond is against applicable law, Contractor shall provide a performance (surety) bond in an amount determined by OGB of no more than one hundred percent (100%) of the annual contracted fees to ensure the successful performance under the terms and conditions of the Contract. The performance bond shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Services list of approved companies which is published annually in the Federal Register, or by a Louisiana-domiciled insurance company with at least an A-rating to write individual bonds up to ten percent (10) of policyholders' surplus as shown in the latest A.M. Best's Key Rating Guide. In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond is to be provided at least thirty (30) working days prior to the effective date of the Contract. Failure to provide within the time specified may cause the Contract to be cancelled.

2 SCOPE OF SERVICES

2.1 Scope of Services

The Contractor shall provide the following services including but not limited to:

- Reduce OGB's prescription drug spend for the self-insured health plans (Pelican HRA 1000, Magnolia Local, Magnolia Local Plus, and Magnolia Open Access) other than the Pelican HSA 775 without changing the benefit design, the formulary, prior authorization or step therapy components, or negatively impacting rebates received on behalf of OGB;
- Provide a prescription drug savings program.
 1. Perform contracted services/tasks and produce the required prescription drug savings program requirements in compliance with the Contract; and
 2. Provide all hardware and software needed to meet all requirements in this RFP, including, but not limited to, all necessary supplies, equipment, and staff support required to achieve these requirements.

3. Decrease expense while not decreasing the care or options to OGB Plan Participants.
4. Overall plan savings should be guaranteed above any applicable fees paid by OGB.

2.2 Tasks and Services

The Contractor will be responsible for completing all required services. Other entities whose employees are serviced by OGB's health and welfare program or which supply data to OGB to support the administration of the programs 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 resulting 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 required by applicable law.

At a summary level, these tasks include:

- Implementation services
- Prescription Drug Savings Program services

The Contractor shall perform the following tasks and services:

Task (1): Implementation

- Assign an implementation team to manage the implementation process.
- Possess appropriate software and/or system(s) to accept electronic claims data from the OGB Pharmacy Benefits Manager(s) and/or any other Contractor specified by OGB.
- Coordinate with OGB to develop mutually agreeable file layout specifications and transmission frequency for files.
- 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. **Files must be sent electronically to the OTS MOVEit DMZ Secure FTP server utilizing a security file transport protocol; the preference is FTPS. All files must be encrypted using Public Key Infrastructure (PKI) with a prior exchange of Public Key(s), commonly referred to as PGP encryption. The encrypted file(s) must have an extension of "pgp". The encryption key must have an expiration of no longer than 5 years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an ASCII text file prior to encryption.**
- Ensure successful and timely completion of all tasks necessary to begin performance of the Contract on February 1, 2020, 12:00 a.m. CT.

Task (2): Prescription Drug Savings Program Services

- Adhere to all provisions outlined and requested in Attachment I: Technical Questionnaire.
- Obtain approval from OGB as to any method of communication with Plan Participants and/or providers contemplated by the Contract, including but not limited to approval of telephone scripts and written communications.
- Provide a call center to handle communications to Plan Participants and health care providers of Plan Participants.
- Identify cost-effective prescription choices based on clinical effectiveness and overall cost to the Plan Participant and OGB self-insured program benefit offerings.
- Perform claims review in order to recommend lower-cost prescription drug alternatives on the OGB formulary.
- Evaluate the suitability of medication and recommended medication prior to contacting health care provider and/or Plan Participant. If required by OGB, Contractor will obtain prior approval from OGB before engaging with plan participants and/or providers to effect a prescription drug change.
- Communicate with Plan Participants, in compliance with all applicable laws, including but not limited to HIPAA and the Patient Protection and Affordable Care Act (“PPACA”), regarding lower-cost alternatives to prescription drugs they are using, which alternatives are on the OGB formulary, and respond to inquiries received from Plan Participants regarding the recommended alternatives.
- Communicate with Plan Participants’ health care provider(s), in compliance with all applicable laws, including but not limited to HIPAA and PPACA, regarding lower-cost alternatives on the OGB formulary, and respond to their inquiries.
- Perform detailed cost savings analyses broken down by type of interaction (provider or Plan Participant) as well as by Active employee/non-Medicare eligible retirees versus Medicare retirees (EGWP population) on a quarterly basis.
- Communicate with OGB to ensure the formulary and rebates for the OGB self-funded plans are not negatively impacted by the Prescription Drug Savings Program.
- Identify efficiencies and cost-saving opportunities to decrease OGB’s prescription drug spend.

2.3 Deliverables

The Contractor shall provide the following deliverables, including, but not limited to:

- Monthly invoices in a format acceptable to OGB within five (5) business days after the first of each month.
- Quarterly savings reporting in a format acceptable to OGB within forty-five (45) calendar days after the close of the quarter.
- Quarterly activity reporting in a format acceptable to OGB within forty-five (45) calendar days after the close of the quarter.

- Annual savings reporting in a format acceptable to OGB within ninety (90) calendar days after the end of each Contract year.
- Submit annual independent assurance report no later than September 30 of each Contract year.
- 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, if applicable.
- Provide a prospective listing of prescription drug change recommendations that will offer cost savings to OGB within thirty (30) calendar days from the effective date of the Contract, and thirty (30) calendar days prior to the beginning of each Contract year thereafter.
- Any other documentation required by OGB at any time to determine if Contractor met its ROI guarantee, and if ROI is not met, to determine the fees owed to OGB.

2.4 Performance Guarantees

The table below shows the return on investment (“ROI”) performance guarantee that the Contractor’s performance will be measured against, along with the Independent Assurance Reporting performance guarantee and the fees that will be charged for failing to meet the guarantee. The ROI performance guarantee measurement strategy and methodology will be mutually agreed between OGB and the Contractor. Contractor will also be subject to per day fees for Independent Assurance Reporting performance guarantees.

Performance Guarantee	Fees at Risk	Measurement
Return on Investment guarantee	Meeting the guarantee as agreed upon by OGB and the Contractor	For each Contract year, the ROI guarantee (as agreed upon by OGB and the Contractor) will be measured against the Contractor’s performance. Any shortfall will be paid to OGB within 90 days of the end of the contract year. Fifteen percent (15%) of the payment under the resulting contract for contract year 3 and contract year 5 will be withheld until the ROI guarantee is provided to OGB.
Independent Assurance Reporting	\$1,000 for each day the report is late	Submit annual independent assurance report as provided in Attachment II: Sample Contract, Section 19, no later than September 30 of each Contract year.

The ROI performance guarantee must be reconciled on an annual basis.

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 February 1, 2020, through January 31, 2021. The second period will be for February 1, 2021 through January 31, 2022, and the third period will be for February 1, 2022 through January 31, 2023. The fourth and fifth periods to be measured, subject to any option approval required by applicable law, are for February 1, 2023 through January 31, 2024, and February 1, 2024 through January 31, 2025, respectively.

2.5 Technical Requirements

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. **Files must be sent electronically to the OTS MOVEit DMZ Secure FTP server utilizing a security file transport protocol; the preference is FTPS. All files must be encrypted using Public Key Infrastructure (PKI) with a prior exchange of Public Key(s), commonly referred to as PGP encryption. The encrypted file(s) must have an extension of “pgp”. The encryption key must have an expiration of no longer than 5 years from the creation date and be approved by the OTS InfoSec Team. All files must be encoded as an ASCII text file prior to encryption.**

2.6 Project Requirements

OGB will designate an OGB Contract Supervisor to the Contract who will serve as the OGB primary point of contact for the Contractor. The Contractor shall be the single point of contact for all subcontractor/vendor work.

3 EVALUATION

3.1 Evaluation and Review

Proposals that pass the mandatory requirement review, Section 1.8.1 Mandatory Qualification, 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	28
Corporate Experience and Staff Qualifications	15
<i>TECHNICAL APPROACH SCORE</i>	43
PHASE 2: HUDSON/VETERAN	
Hudson/Veteran Hudson/Veteran Small Entrepreneurship Program (up to 10 points reserved for Hudson-certified vendors; up to 12 points reserved for Veterans-certified vendors; if no Veterans-certified vendors propose, those 2 points are not awarded; see 1.9 Section G. for details)	<i>12</i>
PHASE 3: COST PROPOSAL	
Per Primary Plan Participant Monthly Administrative Fee	45

CRITERIA	MAXIMUM SCORE
<i>COST PROPOSAL SCORE</i>	45
TOTAL SCORE	100

Proposer must receive a minimum score of 21.50 points (50%) of the total available points in the technical approach categories of Approach and Methodology and Corporate Experience and Staff Qualifications to be considered responsive to the RFP. **Proposals not meeting the minimum score shall be rejected and not proceed to further Cost or Louisiana Veteran and/or Hudson Initiative evaluation.**

The scores for the Cost Proposal, Technical Proposal and Veteran and Hudson Initiative will be combined to determine the overall score. The Proposer with the highest overall score will be recommended for award.

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, and Attachment I: Technical Questionnaire.
- Ability to address anticipated problem areas, creativity and feasibility of solutions to problems, and future integration of new procedures and technology.
- Quality, depth, and completeness of the project work plan.
- Return on Investment guarantees.
- Understanding of the work, including a thoroughness shown in understanding the objectives of the Scope of Services (Section 2), specific services, and planned execution of the project.
- Ability to work with OGB’s PBM to ensure no disruption.

Corporate Experience and Staff Qualifications

- Effectiveness of the proposed organization and staffing plan.
- Current and relevant knowledge, quality, and depth of experience of the project manager and any other personnel considered key to the success of the project through completed and ongoing efforts similar in nature to this effort.
- Evidence that the organization has the current capabilities and can assure performance of the Scope of Services.
- Demonstration of successful past experience involving Proposer and any subcontractor(s), that is similar to that necessary to perform services included in Section 2, Scope of Services.

Phase 2 - Veteran and Hudson Initiative

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 12% of the total evaluation points)

Hudson/Veteran Small Entrepreneurship shall be rated as specified in 1.9 Section G. Veteran-Owned and Service-Connected Disabled Veteran-Owned Small Entrepreneurships (Veteran Initiative) and Louisiana Initiative for Small Entrepreneurships (Hudson Initiative) Programs Participation.

Phase 3 – 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.

The Per Primary Plan Participant Monthly Administrative Fee will be evaluated to determine the Cost Proposal score using the following methodology:

- A. The lowest Proposal will receive 100% of the available points (45 points).
- B. Remaining Proposals will receive points based on application of the following formula:

$$\text{Cost Points} = (\text{Cost of Lowest Per Primary Plan Participant Monthly Administrative Fee} / \text{Cost of Proposal Being Evaluated}) * 45 \text{ (Total Points Available)}$$

4 PERFORMANCE STANDARDS

4.1 Performance Requirements

See Section 2, Scope of Services

4.2 Performance Measurement/Evaluation/Monitoring Plan

Performance Guarantees:

Contractor agrees to provide its operational performance guarantees on an OGB-specific basis. OGB shall have the ability to modify the performance guarantees each Contract year. The proposed ROI as agreed upon by OGB and Contractor will remain at risk. The Contractor shall also be subject to per day charges for Independent Assurance Reporting guarantees as set forth in Section 2.4 Performance Guarantees. All guarantees must be reconciled annually and any penalties owed to OGB shall be paid within ninety (90) days after the end of each Contract year.

Audit: OGB reserves the right to audit the 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 February 1, 2020, through January 31, 2021. The second period will be for February 1, 2021 through January 31, 2022, and the third period will be for February 1, 2022 through January 31, 2023. The fourth and fifth periods to be measured, subject to any option approval required by applicable law, are for February 1, 2023 through January 31, 2024, and February 1, 2024 through January 31, 2025, respectively.

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 the 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 and Attachment I: Technical Questionnaire.
2. The Contract Supervisor will ensure all scopes of services and 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 Contract terms and 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: TECHNICAL QUESTIONNAIRE

Instructions: Provide a response to all questions below. Do not answer a question by referring to the answer of a previous question; restate the answer or recopy the answer under the new question. If, however, the question asks you to provide a copy of something you may indicate where this copy can be found by referencing an attachment/exhibit number, letter or heading.

You are to state the question, then answer the question. Do not number answers without providing the question.

Note: Representations made by the Proposer in the responses provided below will be evaluated under the Technical Approach and will become contractual obligations that must be met during the Contract term.

Background Information

1. Where will the account representative be located? Will this individual have responsibility for other clients? If yes, how many? What percent of the account representative's time will be spent on the OGB account?
2. What is the account representative's role?
3. Would your employees use a secure e-mail system to communicate with Office of Group Benefits and, if so, what system do you use?
4. Please provide the location of the office(s) which will be servicing the Office of Group Benefits account.
5. Where will OGB's data be warehoused and what precautions are in place to protect it?

Proposal Content

Corporate Background/Introduction

OGB wishes to engage an experienced Contractor with a proven PDSP. The PDSP Proposal should address the following:

1. What is your primary business and its function?
2. Do you currently have an office in the state of Louisiana? If not, will one be established?
3. Do you currently have any clients in the state of Louisiana? If so, provide a list to include the name of the client and the scope of services provided.
4. Provide a detailed overview of the design and scope of your prescription drug savings program.

5. Describe how your organization currently generates cost savings for PDSP Programs and how these savings are calculated.
6. For what percent of your clientele do you provide a prescription drug savings program as opposed to a prescription benefit management program?
7. Explain any relationships you currently have with pharmaceutical manufacturers.
8. Explain your approach to working with PBMs to accomplish the scope of services.
9. Do you provide real time intervention or is your program based on a retrospective lookback? Explain and provide details.
10. Please describe in detail your privacy and information security policies and practices, specifically with regard to protected health information, and provide a copy of such policies.
11. Do you follow any national guidelines when developing your programs? If yes, provide details.
12. Does your organization perform internal analyses of client-specific data to develop recommendations for program improvement? If yes, describe.
13. Do you sell or distribute any claims data and client information to outside vendors? If so, describe.

Cost Savings

OGB wishes to implement a PDSP with minimal disruption to its participating population. Maintaining quality of care while creating cost savings opportunities is a key factor in the selection process. The PDSP Proposal should address the following:

1. Describe how your organization proposes to generate cost savings for OGB and the Plan Participants of OGB and how savings will be calculated.
2. Explain how your cost savings criteria are developed.
3. Explain how much of your claims review is cost driven and the process used.
4. Is any piece of your cost savings strategy to shift patients to mail order pharmacy? If so, what percentage? How is this accomplished?
5. Provide a specific example of your company's prescription drug savings program at the participant level and how it provides cost savings.

6. What factors will you take into consideration when evaluating cost savings opportunities for OGB?
7. What is the average percentage of savings from your prescription drug savings program to your current clients? Provide a brief description of these programs offered to your current clients.
8. Provide and explain in detail your proposed return on investment (ROI) guarantees to be provided on an annual basis. List the savings and measurements that are included in the ROI provided.

Program Implementation/Reporting

OGB will actively participate in the program's implementation and will monitor program progress on a regular basis. The reporting schedule will be determined by OGB and will include the following:

- i) Monthly invoices
- ii) Quarterly savings reports
- iii) Quarterly activity reports
- iv) Annual savings reports

The PDSP Proposal should address the following concerning these and other reports:

1. Which reports are standard? At what frequency are your reporting periods? Please provide a list of metrics reported.
2. Describe your methods of tracking the dispensing patterns of Plan Participants' physicians.
3. Describe the methodology of calculating and tracking savings for your proposed program.
4. How will you roll out/introduce this program to OGB Plan Participants? Describe the steps and any examples of communications you would use to encourage buy-in by plan members?
5. What is the estimated lead-time required to implement a PDSP?

Physician Interaction

OGB recognizes the physician/patient relationship is a key factor in the quality of care of the participating population. Experience working with physicians on the care options of the population is important. The PDSP Proposal should address the following:

1. Please describe how Plan Participants' physicians participate in the savings program.
2. Does your program focus on certain prescription drugs? If so, please provide a listing of these drugs.
3. How is consent obtained from the Plan Participant to contact his/her provider(s)?
4. What is your history of interaction with physicians in the state of Louisiana and in other states?
5. What information is shared with a Plan Participant's physician?
6. By what means of communication do physicians respond to information and recommendations you provide?
7. What is your history of response, whether positive, negative or neutral, to the prescription drugs savings program?

Plan Participant Interaction

OGB wishes to implement this program with minimal disruption to Plan Participants. The PDSP Proposal should address the following:

1. Are Plan Participants contacted directly by your program? If so, how is consent obtained from Plan Participants?
2. When contacting the Plan Participant, what is communicated regarding this program? Please describe.
3. Does your program involve interaction with the Plan Participant's pharmacy? If so, please describe this process in detail.
4. How does your prescription drug savings program interact with Plan Participants and Plan Participants' pharmacies?
5. Do you currently have a call center managing calls related to your program? Describe the call center to be provided to manage calls or inquiries for OGB?

Pricing

The PDSP Proposal should address the following regarding pricing:

1. Explain your company's billing procedures and attach a sample invoice.

Third Party Fees

It is important to OGB that there is transparency with the program; this includes financial arrangements between Proposer and pharmaceutical manufacturers, pharmacies or physicians. The PDSP Proposal should address the following:

1. Do you collect any rebates, administrative fees, or year-end settlements from any retail or mail-order pharmacies or drug manufacturers? If so, please explain and provide a list of the respective pharmacies, manufacturers, and drug(s) at issue, and the nature of each arrangement.
2. Do you have any contracts that include any incentives for retail and/or mail order pharmacies regarding the dispensing of generic or preferred products? If so, please explain. Note: The term “generic” denotes any drug that is not a brand, and the term “preferred” denotes drugs that are preferred by a prescription drug program.
3. Explain any financial incentives established for providers to participate and engage with your cost management program. Include withholds, bonuses or other arrangements.
4. Do you provide any financial incentives to individual pharmacists or pharmacies for participation or access to your program? Do you charge pharmacies or pharmacists for participation in your program? If yes, please describe the nature of the financial arrangement and provide the amount of the compensation or charge, as applicable.

ATTACHMENT II: SAMPLE CONTRACT

On this ___ day of _____, 20___, 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 the Prescription Drug Savings Program (“PDSP”) to identify potentially unnecessary, costly prescription drug spend and decrease the pharmacy spend for the OGB self-funded health care program administered through OGB’s current Pharmacy Benefits Manager (“PBM”), MedImpact Healthcare Systems, Inc. (“MedImpact”). The PDSP is intended to provide quality care to Plan Participants via a Health Insurance Portability and Accountability Act (“HIPAA”)-compliant, rules-driven, real-time, non-disruptive program that creates additional savings with minimal impact on the participating population. The program shall be accomplished with no benefit design or formulary changes, no additional prior authorization or step therapy components, and no negative impact to current rebates received through OGB’s current PBM. Note: The OGB formulary can be changed upon agreement by OGB and OGB’s PBM, and the benefit design can be changed by rule any time OGB revises the rule. 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:

See RFP Section 2, Scope of Work/Services

See RFP Attachment III, Business Associate Addendum

See RFP Attachment IV, Cost Proposal Template

See RFP Attachment VI, Records Retention Schedule

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

1.3 GOALS AND OBJECTIVES

1. To provide quality, cost-effective healthcare services to Plan Participants via a legally-compliant, rules-driven, real-time, non-disruptive program that creates additional prescription drug savings with minimal impact on the participating population
2. To establish a Contract with a qualified Prescription Drug Savings Program Contractor that will assist OGB in reduction of prescription drug costs for the OGB self-insured health plans (Pelican HRA 1000, Magnolia Local, Magnolia Local Plus, and Magnolia Open Access) other than the Pelican HSA 775.

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 3.6

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 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 CONTRACTOR PROJECT MANAGEMENT

Contractor 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 and any other personnel considered key to the success of the Contract.
- 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 Contractor(s).** Contractor will coordinate and cooperate with certain OGB Contractors 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 the entire scope of work has been completed and 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

Commercial Prescription Drug Plan – OGB’s prescription drug plan(s) covering active employees and non-Medicare eligible retirees.

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

EGWP – Employer Group Waiver Program prescription drug plan for Medicare Part D eligible retirees.

HIPAA – Denotes Health Insurance Portability and Accountability Act.

OGB CEO – Denotes the Office of Group Benefits Chief Executive Officer.

OSP – Denotes Office of State Procurement.

PBM - Pharmacy Benefits Manager.

PDSP - Prescription Drug Savings Program.

PHI – Protected Health Information.

PII – Personally-Identifiable Information.

Proposal – Denotes a response to a RFP.

Plan Participant(s) – Denotes the employee/retiree and their eligible dependents who are entitled to covered benefits through OGB’s self-insured health plans (Pelican HRA 1000, Magnolia Local, Magnolia Local Plus, and Magnolia Open Access) other than the Pelican HSA 775, as identified in the eligibility data file prepared, maintained and as determined by OGB, and delivered to the Contractor.

Primary Plan Participant(s) – Denotes the Plan Participant whose relationship with OGB governs the coverage under the Plan.

Plan – Denotes OGB’s defined health benefit plan pursuant to which covered benefits are provided to Plan Participants.

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

Return on Investment (“ROI”) – Denotes a performance measure used to evaluate the efficiency of an investment. ROI measures the amount of return on an investment relative to the investment’s cost.

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 shall begin on or about February 1, 2020, and is anticipated to end on January 31, 2023, unless otherwise terminated in accordance with the termination provisions of the Contract. 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 _____. Contractor’s seven-digit Louisiana Department of Revenue account number is _____. In accordance with La. R.S. 39:1624(A)(10), the Louisiana Department of Revenue (“LDR”) must determine that the Contractor is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the State and collected by the Department of Revenue prior to the approval of this Contract by the Office of State Procurement. The Contractor hereby attests to its current and/or prospective compliance, and agrees to provide its seven-digit LDR Account Number to the contracting agency so that the Contractor’s tax payment compliance status may be verified. The Contractor further acknowledges understanding that issuance of a tax clearance certificate by the Louisiana Department of Revenue is a necessary precondition to the approval and effectiveness of this Contract by the Office of State Procurement. OGB reserves the right to withdraw its consent to this Contract without penalty and proceed with alternate arrangements should the

prospective Contractor fail to resolve any identified apparent outstanding tax compliance discrepancies with the Louisiana Department of Revenue within seven (7) days of such notification of such discrepancies.

3.4 PAYMENT TERMS

In consideration of the services required by this Contract, OGB hereby agrees to pay to Contractor a maximum fee of \$_____ 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 by Contractor 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.

Contractor will invoice OGB monthly for payment of the maximum monthly administrative fee within five (5) business days after the end of each month. Upon validation of the invoice, OGB shall render payment of undisputed amounts within thirty (30) days.

3.5 PERFORMANCE BOND

Unless issuance of such bond is against applicable law, Contractor shall provide a performance (surety) bond in an amount determined by OGB of no more than one hundred percent (100%) of the annual contracted administrative fees to ensure the successful performance under the terms and conditions of the Contract. The performance bond shall be written by a surety or insurance company currently on the U.S. Department of the Treasury Financial Management Services list of approved companies which is published annually in the Federal Register, or by a Louisiana-domiciled insurance company with at least an A-rating to write individual bonds up to ten percent (10) of policyholders' surplus as shown in the latest A.M. Best's Key Rating Guide. In addition, any performance bond furnished shall be written by a surety or insurance company that is currently licensed to do business in the State of Louisiana.

The performance bond is to be provided at least thirty (30) working days prior to the effective date of the Contract. Failure to provide within the time specified may cause the Contract to be cancelled.

3.6 PERFORMANCE GUARANTEES

Contractor agrees to provide its operational performance guarantees and report OGB's results on an OGB-specific basis. OGB shall have the ability to modify the performance guarantees each Contract year; however, the ROI will remain as agreed upon by OGB and the Contractor, and Contractor will be subject to per day fees for Independent Assurance Reporting performance guarantees. All guarantees must be reconciled annually and any penalties owed to OGB shall be paid within ninety (90) days after the end of each Contract year. Fifteen percent (15%) of the payment under the resulting contract for Contract year 3 and Contract year 5 will be withheld until the ROI guarantee is provided to OGB.

Audit: OGB reserves the right to audit the 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 February 1, 2020, through January 31, 2021. The second period will be for February 1, 2021 through January 31, 2022, and the third period will be for February 1, 2022 through January 31, 2023. The fourth and fifth periods to be measured, subject to any option approval required by applicable law, are for February 1, 2023 through January 31, 2024, and February 1, 2024 through January 31, 2025, respectively.

4 TERMINATION

4.1 TERMINATION FOR CAUSE

State may terminate this Contract for cause based upon the failure of the Contractor to comply with the terms and/or conditions of the Contract; provided the State shall give the Contractor written notice specifying the Contractor's failure. If within thirty (30) calendar days after receipt of such notice, the Contractor shall not have either corrected such failure or, in the case of failure which cannot be corrected in thirty (30) calendar days, begun in good faith to correct said failure and thereafter proceeded diligently to complete such correction, then the State may, at its option, place the Contractor in default and the Contract shall terminate on the date specified in such notice. Failure to perform within the time agreed upon in the contract may constitute default and may cause cancellation 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 this contract provided that the Contractor shall give the State written notice specifying the State agency's failure and a reasonable opportunity for the State to cure the defect.

4.2 TERMINATION FOR CONVENIENCE

OGB/State may terminate the Contract at any time by giving at least 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, as applicable. 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 AND DEFENSE

- 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 the State, all State departments, Agencies, Boards, and Commissions, its officers,

trustees, employees, servants, subcontractors, agents, and volunteers (collectively the "State"), 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 ("Claims/Costs") 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 of Contractor, its employees, agents, partners, or subcontractors/vendors. Contractor shall not be required to indemnify for that portion of any Claim/Cost arising due solely to the negligent or intentional act or failure to act of the State.

- b) Contractor shall further indemnify and defend the State from and against any Claims/Costs resulting from any violation of or failure to comply with any state or federal law, or other legal or Contract requirement to the extent caused by Contractor, its agents, employees, partners or subcontractors. Contractor shall not be required to indemnify for that portion of any Claim/Cost arising due solely to the negligent or intentional act or failure to act of the State.
- c) Contractor shall fully protect, defend, and indemnify, the State 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 this Contract, including but not limited to 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.
- d) If applicable, Contractor will protect, defend, and indemnify, the State, its officers, trustees, employees, servants, subcontractors, agents, and volunteers, from and against all Claims/Costs which may be assessed against the State 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 the 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.
- e) 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 the 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.

- f) 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 the Contract due to financial hardship or insolvency.
- g) Contractor agrees to investigate, handle, respond to, provide defense for and defend any Claims/Costs at its sole expense and agrees to bear all other costs and expenses related thereto, even if the Claims/Costs are groundless, false or fraudulent.
- h) The OGB/State may, in addition to other remedies available at law or equity to the OGB/State, and upon notice to Contractor, retain such monies from amounts due or to become due to Contractor, or may proceed against the performance bond, if any, as may be necessary to satisfy any Claims/Costs asserted by or against the OGB/State, for which Contractor owes indemnification and/or defense pursuant to this Section.
- i) Upon notice of any claim, demand, suit, or cause of action against the OGB/State arising out of or related to this Contract, Contractor agrees to investigate, handle, respond to, provide defense for, and defend at its sole expense, even if the claim, demand, suit, or cause of action is groundless, false, or fraudulent. The OGB/State may, but is not required to, consult with the Contractor, but this shall not affect the Contractor's responsibility under 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 OGB CEO or his/her delegee. 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 Contract Supervisor and shall not be binding upon the State until actually received by 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/vendor 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 for the subcontractor/vendor 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/vendor 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 or subsequent invoices, if any, or proceed against the performance bond.

10.1 RECORDS

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/vendors in connection with the performance of the services under the Contract, shall become records 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, 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, provided, the confidentiality and security requirements of this Contract shall apply to such Records as long as retained by the Contractor. Additionally, all State data must be sanitized from Contractor’s (and its vendors’) systems in compliance with the most current revision of NIST SP 800-66.

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 applicable 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 (other than protected health 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 Plan Participant without prior express written approval of the OGB CEO or his/her delegee.

12.1 SECURITY/DUTIES TO MONITOR AND REPORT SECURITY EVENTS

The Contractor and its subcontractors and/or vendors shall maintain safeguards and take commercially reasonable technical, physical, and organizational/administrative precautions to ensure that the State's data is protected from unauthorized access, use, and disclosure, in accordance with the State's current and published Information Security Policy found at <http://www.doa.la.gov/Pages/ots/InformationSecurity.aspx>, including but not limited to NIST SP 800-111 and NIST SP 800-88. The Contractor shall implement and maintain safeguards and 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 and/or vendors shall provide the Contract Supervisor with immediate notification (not more than forty-eight (48) hours) of the Contractor's awareness of any Security Event, as defined in the Information Security Policy ("Security Event"), involving confidential information related to the ITB or resulting Contract, and also report such Security Event to Louisiana's Information Security Team at 1.844.692.8019 (open 24 hours a day, 7 days a week) as soon as feasibly possible, not to exceed forty-eight (48) hours following discovery of the Security Event. The reference to Security Event herein may include, but not be limited to, the following: 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.

Thereafter, Contractor shall (i) make available all applicable records, logs, files, data reporting, and other materials required by the State to determine the actual exposure of Personal Information and facilitate any breach notification obligations; (ii) use commercially reasonable efforts to prevent a recurrence of any Security Event; (iii) assist and cooperate with State in its investigation of the Security Event; and (iv) provide the State with the name and contact information for an employee of Contractor who shall serve as the State's primary security contact and shall be reasonably available to assist the State in resolving its obligations associated with the Security Event. Contractor will provide commercially reasonable assistance to the State, bear the cost and expense of all notifications and remediation actions, and implement any agreed upon technical remediation.

Nothing in this Contract shall be deemed to affect or limit any rights an individual Plan 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 or other request 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 OGB CEO or his/her delegee. 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/vendors 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, disability, or age in any matter related to employment. 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

The Contractor shall purchase and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

A. MINIMUM SCOPE AND LIMITS OF INSURANCE

1. Workers Compensation

Workers Compensation insurance shall be in compliance with the Workers Compensation law of the State of the Contractor's headquarters. Employers Liability is included with a minimum limit of \$1,000,000 per accident/per disease/per employee. If work is to be performed over water and involves maritime exposure, applicable LHWCA, Jones Act, or other maritime law coverage shall be included. A.M. Best's insurance company rating requirement may be waived for workers compensation coverage only.

2. Commercial General Liability

Commercial General Liability insurance, including Personal and Advertising Injury Liability and Products and Completed Operations, shall have a minimum limit per occurrence of \$1,000,000 and a minimum general annual aggregate of \$2,000,000. The

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

3. **Professional Liability (Errors and Omissions)**

Professional Liability (Error & Omissions) insurance, which covers the professional errors, acts, or omissions of the Contractor, shall have a minimum limit of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 months from the expiration date of the policy, if the policy is not renewed.

4. **Automobile Liability**

Automobile Liability Insurance shall have a minimum combined single limit per accident of \$1,000,000. ISO form number CA 00 01 (current form approved for use in Louisiana), or equivalent, is to be used in the policy. This insurance shall include third-party bodily injury and property damage liability for owned, hired and non-owned automobiles.

5. **Cyber Liability**

Cyber liability insurance, including first-party costs, due to an electronic breach that compromises the State's confidential data shall have a minimum limit per occurrence of \$1,000,000. Claims-made coverage is acceptable. The date of the inception of the policy must be no later than the first date of the anticipated work under this contract. It shall provide coverage for the duration of this contract and shall have an expiration date no earlier than 30 days after the anticipated completion of the contract. The policy shall provide an extended reporting period of not less than 36 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 premium.

B. DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and accepted by the Agency. The Contractor shall be responsible for all deductibles and self-insured retentions.

C. OTHER INSURANCE PROVISIONS

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

1. Commercial General Liability, Automobile Liability, and Cyber Liability Coverages

- c. The Agency, its officers, agents, employees and volunteers shall be named as an additional insured as regards negligence by the contractor. ISO Forms CG 20 10 (for ongoing work) AND CG 20 37 (for completed work) (current forms approved for use

in Louisiana), or equivalents, are to be used when applicable. The coverage shall contain no special limitations on the scope of protection afforded to the Agency.

- d. The Contractor's insurance shall be primary as respects the Agency, its officers, agents, employees and volunteers for any and all losses that occur under the contract. Any insurance or self-insurance maintained by the Agency shall be excess and non-contributory of the Contractor's insurance.

2. Workers Compensation and Employers Liability Coverage

To the fullest extent allowed by law, the insurer shall agree to waive all rights of subrogation against the Agency, its officers, agents, employees and volunteers for losses arising from work performed by the Contractor for the Agency.

3. All Coverages

- e. All policies must be endorsed to require 30 days written notice of cancellation to the Agency. 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. In addition, Contractor is required to notify Agency of policy cancellations or reductions in limits.
- f. The acceptance of the completed work, payment, failure of the Agency to require proof of compliance, or Agency's acceptance of a non-compliant certificate of insurance shall not release the Contractor from the obligations of the insurance requirements or indemnification agreement.
- g. The insurance companies issuing the policies shall have no recourse against the Agency for payment of premiums or for assessments under any form of the policies.
- h. Any failure of the Contractor to comply with reporting provisions of the policy shall not affect coverage provided to the Agency, its officers, agents, employees and volunteers.

D. ACCEPTABILITY OF INSURERS

3. All required insurance shall be provided by a company or companies lawfully authorized to do business in the jurisdiction in which the Project is located. Insurance shall be placed with insurers with an A.M. Best's rating of **A-:VI or higher**. This rating requirement may be waived for workers compensation coverage only.
4. 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 within 30 days.

E. VERIFICATION OF COVERAGE

5. Contractor shall furnish the Agency 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 Agency before work commences and upon any contract renewal or insurance policy renewal thereafter.

6. The Certificate Holder Shall be listed as follows:

State of Louisiana
Office of Group Benefits, Its Officers, Agents, Employees and Volunteers
Address, City, State, Zip
Project or Contract #:

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

8. Upon failure of the Contractor to furnish, deliver and maintain required insurance, this contract, at the election of the Agency, 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.

F. SUBCONTRACTORS

Contractor shall include all subcontractors as insureds under its policies OR shall be responsible for verifying and maintaining the Certificates provided by each subcontractor. Subcontractors shall be subject to all of the requirements stated herein. The Agency reserves the right to request copies of subcontractor's Certificates at any time.

G. 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, indemnify and hold the State of Louisiana, its departments, agencies, agents and employees harmless from any such assertion or claim that may arise from the performance of this contract.

16 APPLICABLE LAW

This Contract shall be governed by and enforced 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) (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 Contractor in the performance of services called for in this Contract. Contractor shall ensure that there will be no conflict or violation of the Louisiana Ethics Code during the term of the Contract. The Louisiana Board of Ethics is the only entity which can officially rule on ethics issues. 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/vendors 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”) 1, Type II and/or SOC 2, Type II report resulting from an independent annual SSAE 18 engagement of the operations. The SSAE 18 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 18 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 18 engagement within the specified timeframe.

As an alternative to a SSAE 18 engagement and resulting SOC 1, Type II and/or SOC 2, Type II report, if approved by OGB on or before February 15th of each Contract year, Contractor may provide a quality control plan [such as third party Quality Assurance (QA) or an Independent Verification and Validation (IV & V)], or any other independent Contractor project or performance review or audit report.

The cost of such independent assurances will be borne solely by Contractor. Such independent assurances shall be performed at least annually during the term of the Contract. Contractor

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 III, shall be executed between the parties to this Contract to protect the privacy and provide security of Protected Health Information ("PHI") and personally-identifiable information ("PII") 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 III, 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 applicable 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 Plan Participants involving PHI or PIII, including but not limited to participant services, complaints, appeals determinations, notification of rights, and confidentiality. Contractor shall require that all agreements with subcontractors or other vendors providing services for this Contract include the provisions of this Section and any Attachments referenced herein. OGB shall be provided copies of such subcontractor/vendor agreements upon request.

Notwithstanding any provision to the contrary, major delegated functions involving PHI or PII, 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 CONTRACTOR ELIGIBILITY

At the time of execution of this Contract, Contractor, and each tier of subcontractors/vendors, 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.

26 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 and defense, 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.

27 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.

28 PROHIBITION OF DISCRIMINATORY BOYCOTTS OF ISRAEL

In accordance with R.S. 39:1602.1, for any contract for \$100,000 or more and for any contractor with five or more employees, Contractor, or any Subcontractor, shall certify it is not engaging in a boycott of Israel, and shall, for the duration of this Contract, refrain from a boycott of Israel.

The State reserves the right to terminate this Contract if the Contractor, or any Subcontractor, engages in a boycott of Israel during the term of the Contract.

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

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

CONTRACTOR

BY: _____

BY: _____

NAME: Tommy Teague

NAME: _____

TITLE: Chief Executive Officer

TITLE: _____

DATE: _____

DATE: _____

ATTACHMENT III: BUSINESS ASSOCIATE ADDENDUM

State of Louisiana
Office of Group Benefits
HIPAA Business Associate Addendum

THIS HIPAA BUSINESS ASSOCIATE ADDENDUM (the “Addendum”) is entered into effective the _____ day of _____, 20__ (the “Effective Date”), by and between _____ (“Business Associate”) and the State of Louisiana, 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. It is not contemplated that Business Associate will perform Data Aggregation services with PHI received from Covered Entity or obtained through a Contract with Covered Entity without express prior written permission of Covered Entity.
- (d) Business Associate may completely 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, provided Covered Entity agrees to such creation and use of a Limited Data Set. It is not contemplated that Business Associate will create any Limited Data Sets with PHI received from Covered Entity or obtained through a Contract with Covered Entity without express prior written permission of Covered Entity.

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, other than a standard medical records request/medical records subpoena, 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
OFFICE OF GROUP BENEFITS

CONTRACTOR

By: _____
Signature

By: _____
Signature

Tommy Teague
Printed Name

Printed Name

Title: Chief Executive Officer

Title: _____

Date: _____

Date: _____

ATTACHMENT IV: COST PROPOSAL TEMPLATE

Instructions: All cost information must be provided using the Cost Proposal Template, ATTACHMENT IV. All pricing must be fully burdened (inclusive of travel and all Contract-related expenses). Any Proposal not in this format shall be disqualified. Any deviation to the template will be deemed non-responsive.

Per Primary Plan Participant Monthly Administrative Fee (45 Points)

Using the format provided below, the Proposer shall provide the monthly fee (inclusive of travel and all Contract-related expenses) to be charged for all services required by this RFP.

The Proposer shall provide one total Per Primary Plan Participant Monthly Administrative Fee cost (the “Monthly Fee” or “Administrative Fee”) for providing all services listed in Section 2, Scope of Services. **The proposed Per Primary Plan Participant Monthly Administrative Fee will be used to calculate score points using the formula specified in Section 3.1 Evaluation and Review of the RFP.** OGB requires the same Monthly Fee for the entire Contract term and any option period; provided, Contractor may decrease but not increase the Monthly Fee from year to year by Contract amendment.

For information purposes only, the number of Primary Plan participants as of 2/1/19 is 120,650.

Proposed Monthly Fee (Per Primary Participant Per Month)
\$

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. The State requests that the Proposer designate one person to receive all documents and the method in which the documents are best delivered. The Proposer should identify the Contact name and fill in the information below: (Print Clearly)

A. Official Contact Name: _____

B. E-mail Address: _____

C. Facsimile Number with area code: () _____

D. US Mail Address: _____

Phone number with area code: () _____

Proposer certifies that the information provided in response to this RFP is true and grants permission to the State or Agencies to contact the above-named person or otherwise verify the information provided.

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

1. She/he has read and understands all requirements and specifications of the Request for Proposals (RFP), including attachments.
2. The information contained in its response to this RFP is accurate;
3. Proposer complies with each of the mandatory requirements listed in the RFP and will meet or exceed the functional and technical requirements specified therein;
4. Proposer accepts the procedures, evaluation criteria, mandatory contract terms and conditions, and all other administrative requirements set forth in this RFP.
5. Proposer's quote is valid for at least 90 calendar days from the date of proposer's signature below;
6. Proposer accepts the performance guarantees and penalties offered in this proposal.
7. 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 by the contracting agency in which to complete contract negotiations, if any, and execute the final Contract document.
8. Proposer certifies, by signing and submitting a proposal for \$25,000 or more, that their company/entity, and any subcontractors or principals, 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>.)
9. Proposer understands that, if selected as a contractor, the Louisiana Department of Revenue must determine that it is current in the filing of all applicable tax returns and reports and in payment of all taxes, interest, penalties, and fees owed to the State and collected by the LDR. Proposer shall comply with La. R.S. 39:1624(A)(10) by providing its seven-digit LDR account number in order for tax payment compliance status to be verified.
10. Proposer acknowledges the provisions of Section 1.14 of the RFP (Trade Secrets and Proprietary Information) and certifies by signature below that it has either followed the procedures therein for

claiming confidentiality of certain information submitted and submitted the required redacted copies, or that any such claim of confidentiality is waived.

11. Proposer further acknowledges its understanding that issuance of a tax clearance certificate by LDR is a necessary precondition to the approval of any Contract by the Office of State Procurement. The contracting agency reserves the right to withdraw its consent to any Contract without penalty and proceed with alternate arrangements, should a prospective contractor fail to resolve any identified outstanding tax compliance discrepancies with the LDR within seven (7) days of such notification.
12. Proposer certifies and agrees that the following information is correct: In preparing its response, the Proposer has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not, in the solicitation, selection, or commercial treatment of any subcontractor or supplier, refused to transact or terminated business activities, or taken other actions intended to limit commercial relations, with a person or entity that is engaging in commercial transactions in Israel or Israeli-controlled territories, with the specific intent to accomplish a boycott or divestment of Israel. Proposer also has not retaliated against any person or other entity for reporting such refusal, termination, or commercially limiting actions. The State reserves the right to reject the response of the proposer if this certification is subsequently determined to be false, and to terminate any Contract awarded based on such a false response.

Signature of Proposer or
Authorized
Representative

Typed or Printed Name:

Date:

Title:

Entity Name:

Address:

City:

State:

Zip:

Phone number: () _____

ATTACHMENT VI: RECORDS RETENTION SCHEDULE

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

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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

Permitted Retention Period Abbreviations
 ACT - Active Period (when used define term in remarks column)
 FY - Fiscal Year (July 1 - Dec 31)
 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 - Days
 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 Approval


Date Signed 12-16-14

Secretary of State, State Archives & Records Services


Date Approved 1/20/15

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Agency Abbreviations
		In Office	In Storage	Total Retention					
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	8 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:
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 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

12-30-14
 Date Signed
 Agency Approval

12-30-14
 Date Signed
 Secretary of State, State Activities & Records Services
 Date Approved

Records Retention Schedule

Item Number	Records Series Title	Retention Period		Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage					
1	Special order forms, Personnel Action Requests, Travel Requests/Expense reports, requisitions and related correspondence/memos.	ACT + 2 CY	1 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	M	S	Y	I	ACT = until end of the CY in which created or received.
3	Supervisor Files	ACT + 1 CY	1 CY	M	S	Y	I	ACT = until end of CY in which supervisor ends
4	Visitor sign-in/Sign - Out Sheets	ACT + 2 CY	3CY	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	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	M	S	Y	I	ACT = until end of CY created or received.
7	Budget records	ACT + 5 CY		M	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	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		M	S	N	V	ACT = until end of CY in which contract is awarded.

Permitted Retention Period Abbreviations
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State Records Center Use
 Y - Yes
 N - No
 Vital Record Identification Code
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 U = Useful

Agency Abbreviations
 PES = Personnel Evaluation System
 PPR = Personnel Performance Rating

Agency Approval

[Signature]
 Date Signed 12-18-14

[Signature]
 Secretary of State, State Archives & Records Services

Date Approved 12/18/14

Records Retention Schedule

Http://www.sos.la.gov

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Indicate Use of Form

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RENEWAL

REPLACEMENT PAGE

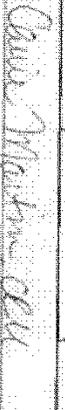
ADDENDUM PAGE

Remarks

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total Retention					
1	Automatic Call Distribution Reports/Performance Indicator Reports	ACT + 10 CY		ACT + 10 CY	M	S	N	I	ACT = until end of CY in which agency ceases to operate.
2	Filing Deadline Mail Records	ACT + 3 CY		ACT + 3 CY	M	S	N	V	ACT = until end of CY in which created or received.
3	Live and Event Claim records	ACT + 10 CY		ACT + 10 CY	C	S	N	V	ACT = until end of CY in which agency ceases to operate.
4	Field and Audit Reports	ACT + 1 CY	4 CY	ACT + 5 CY	M	S	Y	I	ACT = until end of CY report is issued.

Agency Approval: 

Date Signed: 12-18-14

Secretary of State, State Archives & Records Services: 

Date Approved: 12/18/14

Records Retention Schedule

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	Remarks
		In Office	In Storage	Total					
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.

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 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

Date Approved 12/18/14

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

Records Retention Schedule

http://www.sos.la.gov

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 RENEWAL
 REPLACEMENT PAGE
 ADDENDUM PAGE

Item Number	Records Series Title	Retention Period			Security	Archival	State Records Center	Vital	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 (OGB and Outside agencies held by OGB)	PERM	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
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State Records Center Use
 Y - Yes
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 Vital Record Identification Code
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 U - Useful

Agency Abbreviations

Agency Approval

Date Signed

Secretary of State, State Archives & Records Services

Date Approved

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:

- A list of all OGB records series² maintained/managed by Contractor's system;
- The hardware and software used including model number, version number and total storage capacity;
- The type and density of media used by Contractor's system;
- The type and resolution of images being produced (TIFF class 3 or 4 and dpi);
- Contractor's quality control procedures for image production and maintenance;
- Contractor's system's back up procedures including location of back-up (on or off-site) and number of existing images; and
- 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 "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. Contractors will receive electronic payments by Electronic Funds Transfer (EFT). If you receive an award and have not already enrolled in EFT, you will be asked to comply with this request. You may indicate your acceptance below.

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 and an enrollment form is available at: <http://www.doa.la.gov/osrap/ISIS%20EFT%20Form.pdf>

To facilitate this payment process, you will need to complete and return the EFT enrollment form contained in the link above.

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

<u>Payment Type</u>	<u>Will Accept</u>	<u>Already Enrolled</u>
---------------------	--------------------	-------------------------

EFT	_____	_____
-----	-------	-------

Printed Name of Individual Authorized

Authorized Signature for payment type chosen

Date

Email address and phone number of authorized individual

ATTACHMENT IX: DATA USE AGREEMENT FOR LIMITED DATA SET

This Data Use Agreement for a Limited Data Set (“Agreement”) is effective on the ____ day of _____, 2019 (“Effective Date”), by and between the State of Louisiana, Office of Group Benefits (“OGB”), and _____ (“Recipient”) (collectively, the “Parties”).

OGB is a COVERED ENTITY as defined in the Health Insurance Portability and Accountability Act of 1996 and the regulations promulgated pursuant thereto (collectively, “HIPAA”); and OGB is providing Recipient with a Limited Data Set that may contain Protected Health Information (“PHI”) as defined in HIPAA, such that the Recipient may be a “LIMITED DATA SET RECIPIENT” as defined in HIPAA, and other Confidential Information (collectively “PHI” or “Confidential Information”);

The Parties agree to the provisions of this Agreement in order to address the requirements of HIPAA and to protect the interests of both Parties.

DEFINITIONS. Except as otherwise defined herein, any and all capitalized terms in this Agreement shall have the definitions set forth in HIPAA. In the event of any inconsistency between the provisions of this Agreement and mandatory provisions of HIPAA, as amended, the HIPAA provisions shall control. Where provisions of this Agreement are different from those provided in HIPAA, but are permitted by HIPAA, the provisions of this Agreement shall control.

- (i) **ACCESS, USE, OR DISCLOSURE OF PHI.** Recipient shall have the right to access, use, and disclose all PHI provided to it by OGB solely for the following Health Plan Operations purposes (the “Purpose”):
 - 1. Data analysis essential to the formulation of Recipient’s proposal in response to the Prescription Drug Savings Program RFP issued by OGB on or about September 9, 2019.
- (ii) **RESTRICTIONS ON ACCESS, USE, AND DISCLOSURE.** Recipient agrees that it, and any employees, agents, vendors, and subcontractors to whom it discloses the PHI, will not access, use, or further disclose the PHI other than as permitted by this Agreement, or as otherwise required by law or regulation and allowed by HIPAA. Recipient shall use appropriate administrative, physical, and technical safeguards that are no less rigorous than accepted industry practices (including, but not limited to, where applicable, NIST SP-800-111 and NIST SP 800-88) to protect the PHI from misuse or inappropriate disclosure and to prevent any access, use, or disclosure of the PHI other than as provided in this Agreement or as otherwise required by law or regulation and allowed by HIPAA. Recipient shall not attempt to identify the individuals to whom the PHI pertains, or attempt to contact such individuals.

Recipient acknowledges and stipulates that the unauthorized access, use, or disclosure of PHI by Recipient or its employees, officers, contractors, or subcontractors, while performing pursuant to this Agreement would cause irreparable harm to the State, and in such event, the State 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 Recipient costs, including reasonable attorneys’ fees, for any such breach of the terms and conditions of this Agreement.

Recipient represents and warrants that its collection, access, use, storage, disposal and disclosure of PHI does and will comply with all applicable federal and state laws, including but not limited to, privacy and data protection laws, regulations, and directives.

The Recipient and its subcontractors and/or vendors shall maintain safeguards and take commercially reasonable technical, physical, and organizational/administrative precautions to ensure that the State's data is protected from unauthorized access, use, and disclosure, in accordance with the State's current and published Information Security Policy found at <http://www.doa.la.gov/Pages/ots/InformationSecurity.aspx>, including but not limited to NIST SP 800-111 and NIST SP 800-88. The Recipient shall implement and maintain safeguards and monitoring plans to detect unauthorized access to or use of confidential information and any attempts to gain unauthorized access to confidential information. The Recipient and its subcontractors and/or vendors shall provide OGB with immediate notification (not more than forty-eight (48) hours) of the Recipient's awareness of any Security Event, as defined in the Information Security Policy ("Security Event"), involving confidential information related to the RFP or resulting Contract, and also report such Security Event to Louisiana's Information Security Team at 1.844.692.8019 (open 24 hours a day, 7 days a week) as soon as feasibly possible, not to exceed forty-eight (48) hours following discovery of the Security Event. The reference to Security Event herein may include, but not be limited to, the following: 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.

Thereafter, Recipient shall (i) make available all applicable records, logs, files, data reporting, and other materials required by the State to determine the actual exposure of Personal Information and facilitate any breach notification obligations; (ii) use commercially reasonable efforts to prevent a recurrence of any Security Event; (iii) assist and cooperate with State in its investigation of the Security Event; and (iv) provide the State with the name and contact information for an employee of Contractor who shall serve as the State's primary security contact and shall be reasonably available to assist the State in resolving its obligations associated with the Security Event. Recipient will provide commercially reasonable assistance to the State, bear the cost and expense of all notifications and remediation actions, and implement any agreed upon technical remediation.

Nothing herein shall be deemed to affect or limit any rights an individual Plan Participant may have under any applicable state or federal law concerning privacy rights or the unauthorized access, use, or disclosure of protected health information.

- (iii) **REPORTING.** Recipient shall immediately report to OGB's HIPAA Compliance Director and to OGB's Chief Information Security Officer any Security Event, as defined in the State's Information Security Policy, related to any unauthorized access, use, or disclosure of the PHI of which Recipient becomes aware. Recipient will take all appropriate steps to mitigate such access, use, or disclosure and will take all steps directed by the State to limit any further such access, use, or disclosure and mitigate the effects of such.
- (iv) **TERMINATION.** This Agreement shall be effective on the Effective Date set forth above and shall continue as long as Recipient retains the PHI, unless otherwise terminated by OGB, applicable law, or regulation. Recipient may terminate this Agreement by returning all of the

PHI to OGB and certifying destruction of all copies in every form, in a form required by OGB. The certification must include that all PHI has been sanitized from Recipient's (and its vendors') systems in compliance with the most current revision of NIST SP 800-66. If Recipient determines, and OGB agrees in writing, that destruction or return of the PHI is impossible or infeasible, or Recipient's processes require it to maintain the PHI for longer periods, the protections of this Agreement with respect to such PHI shall remain in effect until such PHI is returned or destroyed in compliance with this Agreement.

- (v) **APPLICABLE LAW AND VENUE.** This Agreement shall be interpreted in accordance with the laws of the State of Louisiana. After exhaustion of any available administrative remedies, the exclusive venue of any action brought with regard to this Agreement shall be in the Nineteenth (19th) Judicial District Court, Parish of East Baton Rouge, State of Louisiana.
- (vi) **INDEMNIFICATION AND DEFENSE.** Recipient shall defend, indemnify, and release the State of Louisiana from and against all claims, losses, judgments, expenses, and fees of any kind related to or arising from any breach of this Agreement by Recipient, its employees, agents, representatives, vendors, and/or subcontractors.
- (vii) **SEVERABILITY.** No oral understanding or agreement not incorporated in the Agreement is binding on either Recipient or State. If any term or condition of this Agreement or the application thereof is declared 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 Agreement are declared severable.

**State of Louisiana
Office of Group Benefits**

Recipient:

Proposer's Name

Address

City, State & Zip Code

By: _____
Signature

By: _____
Signature

*Tommy Teague
Printed Name*

Printed Name

*Chief Executive Officer
Title*

Title

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