



STATE OF ARKANSAS

OFFICE OF STATE PROCUREMENT

1509 West 7th Street, Room 300
 Little Rock, Arkansas 72201-4222

REQUEST FOR PROPOSAL (RFP)

SOLICITATION INFORMATION

RFP Number:	SP-15-0059	*Bid Opening Date:	May 8, 2015	*Bid Opening Time:	1:30 p.m., Central Time
Description:	Medicare Part D and Retiree Subsidy Services				
Agency:	Arkansas State Police				
OSP Buyer	Jessica Lowder	Phone:	501-324-9316		
Email:	jessica.lowder@dfa.arkansas.gov				
Type of Contract:	Term Contract	Solicitation Issued:	4/15/15		

*Proposals **will** be accepted until the opening time and date specified above.

RESPONDENT'S INFORMATION (Type or Print)

Company:						
Address:						
City:		State:		Zip Code:		
Business Designation:	<input type="checkbox"/> Individual	<input type="checkbox"/> Sole Proprietorship	<input type="checkbox"/> Partnership	<input type="checkbox"/> Corporation	<input type="checkbox"/> Public Service Corp	<input type="checkbox"/> Government/ Nonprofit
Minority Designation: <i>See Minority Business Policy</i>	<input type="checkbox"/> Not Applicable	<input type="checkbox"/> African American	<input type="checkbox"/> American Indian	<input type="checkbox"/> Hispanic American	<input type="checkbox"/> Asian American	<input type="checkbox"/> Pacific Islander American <input type="checkbox"/> Service Disabled Veteran
	AR Minority Certification Number: _____					
	Service Disabled Veteran Certification Number: _____					

VENDOR REPRESENTATIVE CONTACT INFORMATION

Provide contact information to be used for RFP related matters.

Contact Person:		Title:	
Phone:		Alternate Phone:	
Email:			

Redacted Copy:	<input type="checkbox"/> YES, a redacted copy of proposal is enclosed.
	<input type="checkbox"/> NO, a redacted copy of proposal is not enclosed. I understand a full copy of non-redacted proposal will be released if requested. <i>Note: If a redacted copy of the proposal is not provided with vendor's proposal submission, and neither box is checked, a copy of the non-redacted proposal, with the exception of financial data (other than pricing), shall be released in response to any request made under the Freedom of Information Act. See Proprietary Information.</i>

A vendor agrees that any additional terms or conditions that conflict with requirements in the bid solicitation, whether submitted intentionally or inadvertently, **shall** cause the vendor's proposal to be rejected.

*Authorized Signature:		Title:	
Printed/Typed Name:		Date:	

*Use Ink Only. Unsigned Proposals **will not** be considered.

SECTION 1 - GENERAL INSTRUCTIONS AND INFORMATION

- **Do not** provide responses for items in this section unless specifically and expressly required.

1.1 PURPOSE

This Request for Proposal (RFP) is issued by the Office of State Procurement (OSP) on behalf of the Arkansas State Police (ASP) to obtain pricing and a contract for Medicare Part D and Retiree Subsidy Services.

1.2 TYPE OF CONTRACT

- A. Any resultant contract of this bid solicitation **shall** be subject to State approval processes which may include Legislative review and approval.
- B. The resulting contract **shall** be a TERM contract. The term of this contract **shall** be for one (1) year. The anticipated starting date for this contract is anticipated to be August 1, 2015.
- C. Upon mutual agreement by the vendor and agency, the contract may be renewed by OSP on a year-to-year basis, for up to six (6) additional one-year terms or a portion thereof.
- D. Total contract term **shall not** be more than seven (7) years.

1.3 AWARD CRITERIA

- A. Award **shall** be made on an all or none basis.
- B. Award **shall** be based on the Grand Total Score, which **shall** be a total of the Technical Proposal Score and Cost Proposal score. The vendor with the highest Grand Total Score **shall** be selected as the apparent successful vendor.

1.4 ISSUING AGENCY

The Office of State Procurement (OSP), as the issuing office, is the sole point of contact in the State for the selection process. Vendor questions regarding RFP related matters should be made through the State's buyer as shown on page one of this RFP. Vendor's questions will be answered as a courtesy and at vendor's own risk.

1.5 DELIVERY OF RESPONSE DOCUMENTS

- A. Delivery address for proposal submission documents:

Office of State Procurement
1509 West 7th Street, Room 300
Little Rock, AR 72201-4222

Note: Delivery providers, USPS, UPS, and FedEx deliver mail to OSP's street address on a schedule determined by each individual provider. These providers will deliver to OSP based solely on the street address.

- B. The proposal's outer packaging **must** be sealed and should be properly marked with the following information. If outer packaging of proposal submission is not properly marked, the package may be opened for bid identification purposes.
 - RFP number
 - Date and time of RFP opening
 - Vendor's return address
- C. In accordance with Arkansas Procurement Law and Rules, it is the responsibility of vendors to submit proposals at the location on or before the date and time set in the RFP solicitation documents. Proposals received at OSP after the date and time designated for the proposal opening **shall** be considered late and **shall** be returned to the vendor without further review.
- D. It is not necessary to return "no bids" to OSP.

1.6 BID OPENING LOCATION

Proposals submitted by the opening time and date will be opened at the following location:

Office of State Procurement
1509 West Seventh Street, Room 300
Little Rock, AR 72201-4222

1.7 DEFINITION OF REQUIREMENT

- A. The words “**must**” and “**shall**” signify a requirement of this solicitation and that vendor’s agreement to and compliance with that item is mandatory.
- B. Exceptions taken to any requirement in this bid solicitation **shall** cause the vendor’s proposal to be rejected.
- C. Vendor may request exceptions to NON-mandatory items. Any such request **must** be declared on, or as an attachment, to the appropriate section’s Acknowledgement and Signature Page. Vendor **must** clearly explain the requested exception, and should label the request in such a manner as to reference the solicitation item by number.

1.8 DEFINITION OF TERMS

- A. The State Procurement Official has made every effort to use industry-accepted terminology in this bid solicitation and will attempt to further clarify any item in question as indicated in *Clarification of Bid Solicitation and Questions*.
- B. The words “bidder” and “vendor” are used synonymously in this document.
- C. The words “RFP” and “bid solicitation” are used synonymously in this document.
- D. Acronyms used in this bid solicitation are defined as follows:

List of Acronyms	
AM	Account Manager
AR	Authorized Representative
CMS	Center for Medicare Services
CR	Cost Reporter
ERSD	End Stage Renal Disease
GHP	Group Health Plan
HIPAA	Health Insurance Portability and Accountability Act
MEI	Medicare Eligible Individuals
PBM	Pharmacy Benefit Manager
PHI	Personal Health Information
PR	Payment Requester
RDS	Retiree Drug Subsidy
REMI	Retiree Medicare Eligible Individual
TPA	Third Party Administrator
UBOI	Unique Benefits Options

1.9 RESPONSE DOCUMENTS

A. Vendor(s) **must** submit on or before the date and time specified on page one (1) of this bid solicitation:

1. One (1) signed Original Technical Proposal. The Original Technical Proposal should be clearly marked "Original".
2. Original signed Acknowledgement and Signature Pages.
 - Section 1.
 - Section 2.
 - Section 5.
 - Section 6.
3. One (1) original Official Bid Price Sheet.
 - a. **Do not** include any pricing from the Official Bid Price Sheet in the Technical Proposal copies, including the electronic copies.
 - b. Pricing from the Official Bid Price Sheet **must** be separately sealed from the Technical Proposal response and clearly marked as pricing information.

B. Vendor(s) should submit:

1. Five (5) complete copies (marked "COPY") of the RFP Technical Proposal response.
2. Six (6) electronic versions of the Technical Proposal response, preferably on flash drives. CDs will also be acceptable.
3. One (1) electronic copy of the Redacted Proposal, preferably on a flash drive. CDs will also be acceptable. See *Proprietary Information*.
4. One (1) electronic version of the Official Bid Price Sheet(s), preferably on a flash drive. CDs will also be acceptable.
 - a. The electronic media containing pricing **must** be separately sealed from the Technical Proposal response and clearly marked as pricing.
5. Copy of Vendor's Equal Opportunity Policy. (See *Equal Opportunity Policy*.)
6. Illegal Immigrant Certification. (See *Employment of Illegal Immigrants*.)
7. EO 98-04 Disclosure Form. (See *EO 98-04 Governor's Executive Order*.)

C. Technical Proposal Organization: It is strongly recommended that Vendors adhere to the following format and suggestions when preparing their Technical Proposal response.

1. Ancillary information including promotional/marketing information, or anything not directly responsive to this RFP, **should not** be included with the Technical Proposal.
2. The Technical Proposal should be easy for the evaluators to read and reference. The original proposal and all copies should be arranged in the following order with the sections clearly marked, (i.e., indexed and tabbed).
 - a. Signature Page (page one (1) of the RFP document).
 - b. Table of Contents.

- c. Submission Documents, including but not limited to.
 - Equal Opportunity Policy.
 - E.O. 98-04 – Contract Grant and Disclosure Form.
 - Signed Addenda, if applicable.
 - Vendor's Acknowledgement and Signature Pages
- d. Organize and label the remainder of technical response in a manner so as to reference the items in the *Information for Evaluation* section.

1.10 **CLARIFICATION OF BID SOLICITATION AND QUESTIONS**

- A. If additional information is necessary to enable vendor(s) to better interpret the information contained in this RFP, written questions should be submitted by 4:00 p.m., Central Time on April 21, 2015. Submit written questions by email to buyer as shown on page one (1) of this RFP.
- B. Vendor's questions submitted in writing will be consolidated and responded to by the State. The consolidated written State response is anticipated to be posted to the OSP website by the close of business on April 27, 2015.
- C. Answers to verbal questions may be given as a matter of courtesy and **must** be evaluated at vendor's risk.

1.11 **COST**

- A. Vendor(s) **must** include **ALL** pricing on the Official Price Bid Sheet(s) **ONLY**. All pricing **must** be separately sealed from the Technical Proposal and **must** be clearly marked as pricing.

Note: The accompanying excel file contains the Official Price Sheet(s).

- B. The Projected Total Cost of the Initial Contract Term as show in Table 1 on the Official Price Sheet **shall** be used in the cost evaluation. The cost of items listed in Table 2 **shall not** be used in the cost evaluation.
- C. To allow time to evaluate proposals, prices **must** be valid for 120 days following the bid opening.
- D. The State **shall not** be obligated to pay any costs not identified on the Official Bid Price Sheet. Any cost not identified by the successful vendor but subsequently incurred in order to successfully achieve all requirements of this RFP **shall** be borne by the vendor.
- E. All proposal pricing **must** be in United States dollars and cents.
- F. Official Bid Price Sheet(s) may be reproduced as needed.
- G. Vendor(s) may expand items in Table 1 to identify all proposed equipment, software, or services necessary to meet the requirements of this RFP. A separate listing, which **must** include pricing, may be submitted with the Official Bid Price Sheet(s) **ONLY**.

1.12 **INDEPENDENT PRICE DETERMINATION**

- A. By submission of this proposal, the vendor certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, that in connection with this proposal:
 - The prices in the proposal have been arrived at independently, without collusion.
 - No prior information concerning these prices has been received from, or given to, a competitive company.
- B. If there is sufficient evidence of collusion to warrant consideration of this proposal by the office of the Attorney General, all vendor(s) **shall** understand that this paragraph may be used as a basis for litigation.

1.13 PROPRIETARY INFORMATION

- A. Proposals and documents pertaining to this RFP become the property of the State and **shall** be open to public inspection subsequent to proposal opening.
- B. One complete copy of the response from which any proprietary information has been removed, i.e., a redacted copy, should be submitted with your proposal submission.
 - 1. Except for the redacted information, the redacted copy **must** be identical to the original hard copy.
 - 2. The redacted copy should:
 - a. Reflect the same pagination as the original.
 - b. Show the empty space from which information was redacted.
 - 3. It is the responsibility of the vendor to identify all proprietary information and to ensure the electronic copy is protected against restoration of redacted data.
- C. The redacted copy **will** be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the vendor.
- D. If a redacted copy is not included with your proposal submission, the entire proposal **will** be open to public inspection with the exception of financial data (other than pricing).
- E. If the State of Arkansas deems redacted information to be subject to FOIA, the vendor will be contacted prior to the State providing the information.

1.14 CAUTION TO VENDORS

- A. During the time between the proposal opening and contract award, any communication concerning this RFP **must** be addressed through OSP.
- A. Vendor should ensure all copies and all media are identical to the vendor's hard copy original proposal. In case of a discrepancy, the hard copy **shall** govern.
- B. Failure to submit the required number of copies with the proposal may be cause for rejection.
- C. If OSP requests additional copies of the proposal, the copies **must** be delivered within twenty-four (24) hours of request.
- D. An official authorized to bind the vendor(s) to a resultant contract **must** sign the proposal.
- E. All official documents and correspondence **shall** be included as part of the resultant contract.
- F. Proposals **shall** be accepted only in the English language.
- G. The State Procurement Official **shall** have the right to award a contract or reject a proposal for any or all line items of a proposal received as a result of this RFP, if it is in the best interest of the State to do so.
- H. Proposals **shall** be rejected for one or more reasons including the following:
 - 1. Failure of the vendor(s) to submit a proposal(s) on or before the date and time designated for proposal opening for this RFP.
 - 2. Failure to sign an Official RFP Document.
 - 3. Failure of vendor to sign and submit sections' Acknowledgement and Signature Pages.
 - 4. Failure to complete and include the Official bid Price Sheet(s).

5. Failure to separately seal the Official Bid Price Sheet from the Technical Proposal for both electronic and hard copies.
 6. Failure of the vendor(s) to respond to a requirement for clarification of their submission documents.
 7. Any wording by the vendor(s) in their response to this RFP, or in subsequent correspondence, which conflicts with or takes exception to a requirement in this RFP.
 8. Failure of any proposed service to meet or exceed the specifications.
- I. Single and joint vendor proposals and multiple proposals by vendors are acceptable. However, a single vendor **must** be identified as the prime contractor in each proposal.

1.15 REQUIREMENT OF ADDENDUM

- A. This RFP may be modified only by an addendum written and authorized by OSP.
- B. Vendors are cautioned to ensure that they have received or obtained, and have responded to, any and all addendums to the RFP prior to submission.
- C. There will be no addendums to a RFP 72 hours prior to the RFP opening, other than to:
 - Extend the bid opening date.
 - Cancel to bid.
- D. It is the responsibility of the vendor to check the OSP website, <http://www.arkansas.gov/dfa/procurement/bids/index.php>, for any and all addendums up to bid opening.

1.16 ALTERATION OF ORIGINAL RFP DOCUMENTS

If vendor's submittal is discovered to contain any alterations or changes to the original written or electronic documents, the vendor's response may be declared non-responsible. If declared non-responsible, the response **shall** be rejected.

1.17 ADDITIONAL TERMS AND CONDITIONS

- A. Vendor **shall not** submit any additional terms or conditions for this bid solicitation
- B. In signing and submitting his proposal, a vendor agrees that any additional terms or conditions, whether submitted intentionally or inadvertently, **shall not** have force or effect.
- C. Failure to comply with terms and conditions, including those specifying information that **must** be submitted with a proposal, **shall** be grounds for rejecting a proposal.

1.18 AWARD RESPONSIBILITY

OSP will be responsible for award and administration of any resulting contract(s).

1.19 RESERVATION

This RFP does not commit the OSP to award a contract, to pay costs incurred in the preparation of a proposal in response to this request, or to procure or contract for commodities or services.

1.20 ANTICIPATION TO AWARD

- A. After complete evaluation of the proposals, the anticipated award will be posted on the OSP website (http://www.arkansas.gov/dfa/procurement/pro_intent.php).
- B. The purpose of the posting is to establish a specific timeframe in which vendors and agencies are aware of the anticipated award.
- C. The anticipated award will be posted for a period of fourteen (14) days prior to the issuance of any award. Vendors and agencies are cautioned that these are preliminary results only, and no official award will be issued prior to the end of the fourteen day posting period. Accordingly, any reliance on these preliminary results is at the agency's/vendor's own risk.

- D. OSP **shall** have the right to waive the policy of Anticipation to Award when it is in the best interest of the State.
- E. Vendors are responsible for viewing the Anticipation to Award section of the OSP website.

1.21 **NEGOTIATIONS**

As provided in this request for proposal and under regulations, discussions may be conducted with responsible vendor(s) who submit proposals determined to be reasonably capable of being selected for award for the purpose of obtaining clarification of proposal response and negotiation.

1.22 **MINORITY BUSINESS POLICY**

- A. Minority participation is encouraged in this and in all other procurements by State agencies.
- B. Minority is defined by Arkansas Code Annotated § 15-4-303 as a lawful permanent resident of this State who is African American, Hispanic American, American Indian, Asian American, Pacific Islander American, Service Disabled Veteran as designated by the United States Department of Veterans Affairs.
- C. The Arkansas Economic Development Commission conducts a certification process for minority business and disabled veterans. Certification number **should** be included on page one (1) for verification.

1.23 **EQUAL EMPLOYMENT OPPORTUNITY POLICY**

- A. In compliance with Arkansas Code Annotated § 19-11-104, OSP is required to have a copy of the vendor's Equal Opportunity (EO) Policy prior to issuing a contract award.
- B. EO policies may be submitted in electronic format to the following email address: eeopolicy.osp@dfa.arkansas.gov, but should also be included as a hardcopy accompanying the solicitation response.
- C. The submission is a one-time requirement, but vendors are responsible for providing updates or changes to their respective policies, and for supplying EO policies upon request to other State agencies that **must** also comply with this statute.
- D. Vendors that do not have an established EO policy will not be prohibited from receiving a contract award, but are required to submit a written statement to that effect.

1.24 **EMPLOYMENT OF ILLEGAL IMMIGRANTS**

- A. Pursuant to Arkansas Code Annotated § 19-11-105, prior to the award of a contract, selected vendor(s) **must** have a current certification on file stating that they do not employ or contract with any illegal immigrants to provide services related to contracts with the State.
- B. OSP will notify the selected vendor(s) prior to award if vendor's certification has expired or is not on file with OSP. The buyer will provide instructions for the certification process at that time.

1.25 **PAST PERFORMANCE**

In accordance with provisions of State Procurement Law, specifically OSP Rule R5:19-11-230(b)(1), a vendor's past performance with the State may be used to determine if the vendor is "responsible". Proposals submitted by vendors determined to be non-responsible **shall** be rejected.

1.26 **COMPLIANCE WITH THE STATE SHARED TECHNICAL ARCHITECTURE PROGRAM**

The respondent's solution **must** comply with the State's shared Technical Architecture Program which is a set of policies and standards that can be viewed at: <http://www.dis.arkansas.gov/policiesStandards/Pages/default.aspx>. Only those standards which are fully promulgated or have been approved by the Governor's Office apply to this solution.

1.27 VISA ACCEPTANCE

- A. Awarded vendor(s) should have the capability of accepting the State's authorized VISA Procurement Card (p-card) as a method of payment.
- B. Price changes or additional fee(s) **shall not** be assessed when accepting the p-card as a form of payment.
- C. The vendor may receive payment from the State by the p-card in the same manner as other VISA purchases.
- D. VISA acceptance is preferred but is not the exclusive method of payment.

1.28 PUBLICITY

- A. News release(s) by a vendor(s) pertaining to this bid solicitation or any portion of the project **shall not** be made without prior written approval of the State Procurement Official.
- B. Failure to comply with this requirement is deemed to be a valid reason for disqualification of the vendor(s) proposal.
- C. The State Procurement Official will not initiate any publicity relating to this procurement action before the contract award is complete.

SECTION 1 - VENDOR'S ACKNOWLEDGMENT AND SIGNATURE

- Vendor **must** sign and submit this page with their Technical Proposal.
- Failure of vendor to sign and submit this page with their technical proposal **shall** cause the vendor's proposal to be rejected.
- Any requested exceptions to NON-mandatory items listed in this section **must** be declared below or as an attachment to this page. Vendor **must** clearly explain the requested exception, and should label the request in such a manner so as to reference the numbering system of the section.
- Exceptions to requirements **shall** cause the vendor's proposal to be rejected.

By signature below, vendor acknowledges, affirms, agrees to and **shall** fully comply with all requirements as shown in this section of the RFP.

Use Ink Only. Unsigned documents **shall not be considered.*

Company Name:			
*Authorized Signature:		Title:	
Printed/Typed Name:		Date:	

SECTION 2 – MINIMUM REQUIREMENTS

- **Do not** provide responses for items in this section unless specifically and expressly required.

2.1 CURRENT ENVIRONMENT

Medicare Part D Retiree Drug Subsidy services are presently being provided for over 400 retirees and eligible spouses, and 50 disabled members, including those diagnosed with End Stage Renal Disease (ESRD). ASP expects a minimum of 101 retired members and spouses to reach Medicare age by the end of calendar year 2017. Currently, ASP is under contract with Part D Advisors to provide these services. See Attachment E for claims history for calendar year 2014.

2.2 MINIMUM QUALIFICATIONS

- A. Vendor **must** have minimum of five (5) years' experience working with Medicare Part D Retiree Subsidy.
- B. Vendor **must** have a software developer currently on staff and throughout the term of the contract.

2.3 CONTINGENCY FEE

- A. Vendor **must** provide Medicare Part D Retiree Drug Subsidy services on a contingency fee basis. The contingency fee percentage bid by the vendor in Table 1 on the Official Bid Price Sheet **shall** be multiplied by the Part D Subsidy Recovery to determine vendor's monthly payment.
- B. Increases to the contingency fee percentage **shall not** be allowed during the initial term of the contract or during the first renewal period, if exercised.
- C. Should ASP elect to exercise the remaining renewal options, (i.e., the 2nd - 6th renewal options), an increase to the contingency fee will be considered at the time of extension, if the vendor can prove the increase is necessary and is based on an increase in market price.
 1. Increases **shall not** be considered to increase profit or margins.
 2. Vendors **must** make the request in writing, and appropriate documentation **must** be supplied to support the request.

2.4 ADMINISTRATION REQUIREMENTS AND PROCESS

- A. Vendor **must** comply with all RDS requirements and deadlines relating to services provided under the scope of this contract.
- B. Vendor **shall** identify the number of Unique Benefit Options (UBOs) within a Group Health Plan (GHP).
- C. Vendor **shall** identify Retiree Medicare Eligible Individuals (RMEIs) and continually update eligibility.
- D. Vendor **shall** provide actuary for Gross and Net Test Attestations.
- E. Vendor **shall** obtain eligibility from ASP, and Medicare and claims data from PBM. Vendor **shall** complete the following steps:
 1. Verify monthly individual eligibility and claims data from Medicare.
 2. 12 month eligibility and claims data for final reconciliation.
 3. Monitor eligibility and claims data for final reconciliation.
 4. Receive from CMS Weekly Eligibility Updates and incorporate in format approved by CMS.
 5. Monitor and comply with Retiree Drug Subsidy RDS requirements and deadlines. See Attachments C and D.

- F. Vendor **shall** work cooperatively with the agency's Plan Consultant and PBM.
- The current Plan Consultant is The Hatcher Agency
 - The current PBM is LDI
- G. Vendor **shall** maintain electronic and physical security of all data to include on and off-site backups.
- H. Vendor **shall** comply with all rules and regulations concerning PHI and the storage, transmission and destruction data.

2.5 IMPLEMENTATION AND ACCOUNT SETUP ON RDS WEBSITE FOR PROCESSING SUBSIDIES

- A. Vendor **shall** register GHP and plan sponsor with RDS.
- B. Vendor **shall** provide an Account Manager (AM) to oversee and assist with application and subsidy.
- C. Vendor **shall** provide an Authorized Representative (AR), Actuary and Designees.
- D. Vendor **shall** register as cost reporter (CR) with RDS.
- E. Vendor **shall** register as payment requester (PR) with RDS.
- F. Vendor **shall** aggregate monthly data.
- G. Vendor **shall** coordinate with ASP's current PBM for prescription drug claims data.
- H. Vendor **shall** be responsible for implementation. Any implementation cost **shall** be treated as a one-time fee. Implementation cost **must** be disclosed in Table 1 on the Official Price Sheet and **shall** be considered during cost evaluation.

2.6 INITIAL APPLICATIONS

- A. The AM **shall** complete sections 1-4 and 6-8 of the RDS application.
- B. The AM **shall** upload retiree census data to RDS website.
- C. The AM **shall** coordinate with the actuary to complete section 5 of the RDS application.
- D. The AM **shall** Review the RDS application and submit to the GHP for review, approval, and signature of the application.
- E. The AM **shall** Complete standard form and submit to RDS for the annual renewal process on behalf of the GHP in compliance to RDS deadlines.

2.7 PAYMENT REQUEST ACTIVITIES FOR EACH MONTH (ACTUAL CLAIMS)

- A. Vendor **shall** complete payment setup on behalf of the GHP.
- B. Vendor **shall** review monthly claim information (individual claims) on a monthly basis.
- C. Vendor **shall** adjust claims and filter for Non-Part D Drugs.
- D. Vendor **shall** adjust claims for estimated rebates.
- E. Vendor **shall** calculate subsidy amount for each RMEI.
- F. Vendor **shall** calculate subsidy amount in the aggregate for all RMEIs.
- G. As the PR, vendor **shall** submit subsidy payment request with Updated Eligibility every 30 days.
- H. As the CR or PR, vendor **shall** process RDS denials, inquires and responses.

2.8 COMPLETE ANNUAL RECONCILIATION 12-STEP PROCESS

- A. Vendor **shall** finalize covered retirees for the reconciliation of previous year for possible additional subsidies.
- B. Vendor **shall** manage final cost reports and compile final rebate data.
- C. Vendor **shall** finalize reconciliation payment request.
- D. AR **shall** review reconciliation payment and submit to the GHP for review, approval, and signature of the reconciliation payment.
- E. AR **shall** monitor and comply with Retiree Drug Subsidy RDS requirements and deadlines.
See Attachments C and D.

2.9 REOPENING OF PREVIOUSLY RECONCILED FILINGS OF THE RDS

- A. Vendor **shall** complete documentation and gathered data apply within four (4) years of original reconciliation date.
- B. Vendor **shall** review data for any incomplete information and inaccuracies.
- C. Vendor **shall** generate new cost report to RDS in conformance RDS guidelines.
- D. Vendor **shall** submit appeal requests to RDS in conformance RDS guidelines.
- E. Vendor **shall** complete the reopening.
- F. Vendor **shall** resubmit final reconciliation to RDS in conformance RDS guidelines.
- G. Vendor **shall** submit payment justification to RDS in conformance RDS guidelines.
- H. Vendor **shall** monitor and comply with Retiree Drug Subsidy RDS requirements and deadlines.
See Attachments C and D.

2.10 COMMUNICATION

- A. Vendor **shall** monitor impact of RDS and CMS announcements to GHP.
- B. Vendor **shall** notify ASP of any requirements, deadlines, and documentation needed from the GHP within seven (7) to ten (10) business days in advance of the deadline.

2.11 REPORTING

- A. Vendor **shall** provide actuarial services for attestation.
- B. Vendor **shall** provide an eligibility report to ASP on annual basis. The report is due each December and **must** be submitted in Excel format via secure email.
- C. The Vendor **must** submit reports to ASP no later than 30 days following the close of the previous month.
- D. The Vendor **shall** provide requested documentation and information to ASP no later than seven (7) calendar days from the date of the request, unless an extension has been requested and mutually agreed upon prior to the due date.

2.12 DATA RECORDS

- A. Vendor **shall** retain all applications and payment requests for a period of six (6) years following the filing date.
- B. Vendor **shall** retain all actuarial reports/studies for a period of six (6) years following the processing date.
- C. Vendor **shall** provide assistance for any audits.

- D. Vendor **shall** provide data in a secure auditable format. Format **shall** be mutually agreed to by the vendor and ASP, with the final determination made by ASP.
- E. Vendor **shall** retain records in secure electronic format.

2.13 VENDOR ACCOUNT MANAGEMENT

- A. Vendor **shall** comply with mutually agreed upon deadlines, benchmarks, and timelines established by CMS for any reconciliation or applications submitted by the vendor on behalf of ASP.
- B. Prior to award, vendor **shall** complete and sign the Business Associate Agreement. See Attachment B.

2.14 FINANCIAL ACCURACY

Vendor **must** comply with the accepted standard subsidy calculation which is 28% of the Allowable Retiree Costs less a 2% reduction.

2.15 VENDOR SELF-AUDITS

- A. Vendor **shall** conduct monthly self-audits of each of the performance standards as listed in this Attachment A.
- B. Vendor **shall** provide an audit report to ASP each month. The audit **must** encompass a statistically valid random stratified sampling of ASP items selected.
- C. Monthly audit(s) **shall** be completed within thirty (30) days following the period to which the audit pertains and **shall** be the basis on which any fee adjustments are made.
- D. All applicable fee adjustments **shall** be applied within thirty (30) days following completion of the vendor's monthly self-audit, unless otherwise noted.

2.16 VENDOR RESPONSIBILITY UPON TERMINATION OF CONTRACT

Upon expiration, termination, or cancellation of the contract, vendor **must** coordinate with new provider on transitioning ASP drug subsidies.

2.17 DISASTER RECOVERY

Vendor should have an emergency operations, disaster recovery and business continuity plan to be provided to ASP upon request.

2.18 ADDITIONAL SERVICES

- A. Throughout the term of this contract, as requested by ASP or as required by law, ASP may choose to add or remove any services offered by the vendor under the scope this contract. These services may be existing services as offered in the vendor's proposal, or they may be newly created services based on improving technology or may be required as a result of newly enacted Federal and/or State mandates. Pricing for these services **shall** be negotiated if/when the services are added or removed; **shall** be consistent with current contract pricing for similar services; and **shall** be agreed upon in writing between agency and vendor prior to implementation of the service.
- B. Vendor should include pricing in Table 2 on the Official Price Sheet for any additional services currently offered relating to the annual RDS application process that are not requirements of this RFP. The cost of items listed in Table 2 **shall not** be used in the cost evaluation. Do not include pricing for these services in your Technical Proposal.

SECTION 2 - VENDOR'S ACKNOWLEDGMENT AND SIGNATURE

- Vendor **must** sign and submit this page with their Technical Proposal.
- Failure of vendor to sign and submit this page with their technical proposal **shall** cause the vendor's proposal to be rejected.
- Any requested exceptions to NON-mandatory items listed in this section **must** be declared below or as an attachment to this page. Vendor **must** clearly explain the requested exception, and should label the request in such a manner so as to reference the numbering system of the section.
- Exceptions to requirements **shall** cause the vendor's proposal to be rejected.

By signature below, vendor acknowledges, affirms, agrees to and **shall** fully comply with all requirements as shown in this section of the RFP.

Use Ink Only. Unsigned documents **shall not be considered.*

Company Name:			
*Authorized Signature:		Title:	
Printed/Typed Name:		Date:	

SECTION 3 - INFORMATION FOR EVALUATION

- Address each item listed in this Section.
- Answer each request in the order it was written.
- Label answer in a manner so as to reference the numbering system of this section.
- **Do not** include additional information if not pertinent to the itemized request.

	Maximum RAW Score Available
3.1 <u>CORPORATE PROFILE</u>	
A. Provide number of years your organization has been in business and number of years you have provided Medicare Part D Retiree Drug Subsidy services.	5
B. Describe in detail your geographic profile, including a list of states you currently operate in and the number of clients for which you currently provide Medicare Part D Retiree Drug Subsidy services.	5
C. Provide detailed information on your corporate structure and ownership.	5
D. Provide the number of staff that will be committed to delivery of services under the scope of this contract. Include a detailed description of their qualifications.	5
E. What percentage of your current staff are full-time software developers?	5
F. Detail the staff turnover rate within the last three (3) years for your AM and AR staff.	5
G. Provide a list of PBMs with whom you are currently working.	5
H. Provide a copy of your emergency operations, disaster recovery and business continuity plan.	5
I. Provide detailed information on insurance, bonding, and guarantees offered in the event of issues caused by vendor's loss of operations due to an emergency or disaster.	5
3.2 <u>ACCOUNT ADMINISTRATION</u>	
A. Provide a description of additional services offered in the annual RDS application process.	5
B. Provide a detailed description all services offered to assist with the administration of the Retiree Drug Subsidy program.	5
C. Provide a detailed description of which services include direct contact with retirees. Include a description of the purpose of contact and description of methods used.	5
D. Provide a detailed description of the method(s) used to maximize refunds and recover additional subsidy dollars for our GHP.	5
3.3 <u>CLAIMS ADMINISTRATION</u>	
A. Provide copies of your RDS policy and procedure documents regarding the following:	
1. The process for storing, maintaining, and tracking retirement status.	5
2. The process for reviewing and maintaining claims data, including adjustments and claim reversals.	5
3. The process for gathering, reviewing, and calculating all rebates for the plan year.	5
4. The process for gathering, reviewing and calculating price concession for the plan year.	5

- | | | |
|------------|--|---|
| B. | Provide a description of your policies and procedures for reviewing claims to ensure that no claims included in the RDS payment request include drugs that are not eligible for payment under Medicare Part D. | 5 |
| C. | Describe your current drug filtering process to identify medical prescription claims to accurately categorize Part B and Part D drugs and how you drug filtering maximizes plan sponsors subsidy payments. | 5 |
| D. | How many years of previous subsidy filings are you able to reopen, if necessary, for review and appeal to CMS? | 5 |
| E. | Within the last three (3) years, what was the average percentages of the following: | 5 |
| | 1. Recoveries processed. | |
| | 2. Appeals submitted. | |
| | 3. Applications completed. | |
| | 4. Total dollar amount of claims reviewed | |
|
 | | |
| 3.4 | <u>ELIGIBILITY</u> | |
| A. | Provide a description of your organization's experience as it pertains specifically to RDS administration. At minimum, provide information relating to the following: | |
| | 1. Policies and procedures related to creating and submitting cost reports to the CMS. | 5 |
| | 2. Policies and procedures related to updating and maintaining GBS client eligibility lists for the purposes of collecting subsidy from the CMS. | 5 |
| | 3. Policies and procedures related to ensuring only eligible individuals are submitted for subsidy to the CMS. | 5 |
| | 4. Policies and procedures related to ensuring only eligible drug claims are submitted for subsidy to the CMS. | 5 |
|
 | | |
| 3.5 | <u>REPORTING</u> | |
| A. | Describe your proposed reporting schedule and provide examples including retiree and final cost data, cost adjustments, covered retiree list, threshold and limit reports. | 5 |
| B. | What type of eligibility data will you require from ASP and how often? Provide a file layout. | 5 |
| C. | Describe all data collection practices and the vendor(s) you will target, (i.e. PBM, TPA, client, etc.). | 5 |
| D. | How do you provide monthly Cost Reporting? | 5 |
|
 | | |
| 3.6 | <u>DATA SECURITY, RETENTION, AND TECHNICAL</u> | |
| A. | Describe the information systems' security protocols and capabilities; including data at rest, in transit and archive. Provide a description of both electronic and physical security that is currently in place, along with location information. Include any remote access capabilities into your systems. | 5 |
| B. | Describe your data retention and reporting capabilities including on and off site backups. | 5 |
| C. | Provide a proposed timeline of data file transfers from carriers. Provide a file layout and a description of data you will be requesting from Insurance carriers and/or PBM. | 5 |

- D. Describe all policies and procedures relating to the secure use, storage and transfer of data and communications. At minimum, include information relating to the following:
1. Transmission, storage and destruction of Personal Health Information (PHI). 5
 2. Secure communications. 5
- 3.7 AUDIT COMPLIANCE**
- A. How many CMS audits have completed in the last five (5) years for your clients RDS filings? What was the outcome of those audits? 5
- B. Provide a detailed description and hardcopy of your policies and procedures for a CMS audit. 5
- C. Describe the services you provide in the event ASP becomes the target of an audit based on RDS subsidy request(s). Provide any and all policies and procedures related to preparing clients for potential CMS auditing. 5
- 3.8 PRIVACY/SECURITY**
- A. Describe any breaches, complaints or grievances with regards to protected health information, (e.g., security or privacy), for your complete book of business. List the event and resolution in detail. 5
- B. Disclose any event where employees have willfully committed acts that compromise member information, regardless of whether it is PHI or not and what preventative measures do you have in place to alleviate such breaches? 5
- C. Provide a detailed description of your HIPAA policies, procedures, and training related to quality and provider data and any preventative measures in place to alleviate such breaches. 5
- 3.9 IMPLEMENTATION**
- A. Describe in detail your implementation process in regards to time deadlines and dissemination of information. 5
- B. Describe your plan for coordination with the current vendor for implementation of the contract and retiree drug subsidy services. 5

SECTION 4 – CRITERIA FOR SELECTION

- **Do not** provide responses for items in this section.

4.1 GENERAL INFORMATION

- A. After initial qualification of proposals for requirements, technical responses will be evaluated and scored by a committee appointed by the Agency.
- B. Submission of a proposal implies vendor acceptance of the evaluation technique and vendor recognition that subjective judgments **must** be made by the evaluation committee during the assignment of rating points.
- C. Other agencies, consultants, and experts may also examine documents at the discretion of the Agency.

4.2 TECHNICAL PROPOSAL SCORE

- A. Proposals which meet requirements will be scored for technical content.

1. The Raw Score for the Technical Proposals will be established by using the criteria and scoring specified in Section 3.
2. Each sub-section in Section 3 has been weighted as shown in the following table. The vendor's weighted score for each sub-section will be determined using the following formula:

$$(A/B)*C = D$$

- A = Actual raw score for sub-section
 - B = Maximum raw score possible for sub-section
 - C = Maximum weighted score possible for sub-section
 - D = Weighted score for technical received for sub-section
3. Weighted scores for sub-sections in Section 3 will be totaled together to determine the overall score for the technical proposal.

Sub-Section	B. Maximum Raw Score Possible	Weighted Percentage	C. Maximum Weighted Score Possible*
3.1 Corporate Profile	45	3%	21
3.2 Account Administration	20	11%	77
3.3 Claims Administration	40	30%	210
3.4 Eligibility	20	30%	210
3.5 Reporting	20	5%	35
3.6 Data Security, Retention, and Technical	25	3%	21
3.7 Audit Compliance	15	3%	21
3.8 Privacy/Security	15	5%	35
3.9 Implementation	10	10%	70
Totals	210	100%	700

*Note: The maximum weighted score for each sub-section was determined using the following formula:

“Total maximum weighted score possible” (700 pts) x “weighted percentage”.

- B. The vendor's weighted scores for sub-sections will be totaled together to determine the total weighted score for the Technical Proposal.

4.3 COST PROPOSAL SCORE

- A. The maximum amount of cost points will be awarded to the vendor with the lowest Estimated Total Cost of the Initial Contract Term as shown in Table 1 on the Official Bid Price Sheet.
- B. The amount of cost points awarded to the remaining vendors will be allocated by using the following formula:

$$(A/B)*(C) = D$$

- A = Lowest Total Cost
- B = Second (third, fourth, etc.) Lowest Total Cost
- C = Maximum Points for Lowest Total Cost
- D = Number cost points scored

4.4 GRAND TOTAL SCORE

After the Technical Proposal and Cost scoring have been completed, the two scores will be added together to determine the Grand Total Score for each vendor. The vendor with the highest Grand Total Score will be selected as the apparent successful vendor. See *Award Criteria*.

	Maximum Points Possible
Technical Proposal	700
Cost	300
Maximum Possible Grand Total Score	1,000

SECTION 5 – GENERAL CONTRACTUAL REQUIREMENTS

- **Do not** provide responses for items in this section unless specifically and expressly required.

5.1 PAYMENT AND INVOICE PROVISIONS

- A. All invoices **shall** be forwarded to:

Arkansas State Police
Attn: Administrative Services Division Commander
#1 State Police Plaza Drive
Little Rock, AR 72209

- B. Payment will be made in accordance with applicable State of Arkansas accounting procedures upon acceptance by the agency.
- C. The State **shall not** be invoiced in advance of delivery and acceptance of any goods or services.
- D. Payment will be made only after the vendor has successfully satisfied the agency as to the reliability and effectiveness of the services purchased as a whole.
- E. The vendor should invoice the agency by an itemized list of charges.
- F. Purchase Order Number and/or Contract Number should be referenced on each invoice.
- G. Selected vendor **must** be registered to receive payment and future RFP notifications. Vendors may register on-line at <https://www.ark.org/vendor/index.html>

5.2 PRIME CONTRACTOR RESPONSIBILITY

The prime contractor will be responsible for the contract and will be the sole point of contact with regard to services and all requirements as specified in this RFP.

5.3 GENERAL INFORMATION

- A. The State of Arkansas **shall not** contract with another party:

1. To lease any equipment or software for a period of time which continues past the end of a fiscal year unless the contract allows cancellation by the State Procurement Official upon 30 days written notice whenever there are no funded appropriations for the equipment or software.
2. To indemnify and defend that party for any liability and damages.
3. Upon default, to pay all sums to become due under a contract.
4. To pay damages, legal expenses or other costs and expenses of any party.
5. To continue a contract once the equipment has been repossessed.
6. To conduct litigation in a place other than Pulaski County, Arkansas.
7. To agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.

- B. A party wishing to contract with the State of Arkansas should:

1. Remove any language from its contract which grants to it any remedies other than:
 - a. The right to possession.
 - b. The right to accrued payments.
 - c. The right to expenses of deinstallation.

- d. The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded.
 - e. The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.
2. Include in its contract that the laws of the State of Arkansas govern the contract.
 3. Acknowledge that contracts become effective when awarded by the State Procurement Official.
- C. The State of Arkansas may contract with another party:
1. To accept the risk of loss of the equipment or software and pay for any destruction, loss or damage of the equipment or software while the State has such risk, when the extent of liability for such risk is based upon the purchase price of the equipment or software at the time of any loss and the contract has required the State to carry insurance for such risk.
 2. To lease any equipment and/or software past the end of a fiscal year if the contract contains a provision to allow cancellation by the State Procurement Official upon a 30 day written notice to the vendor/lessor in the event funds are not appropriated.

5.4 **CONDITIONS OF CONTRACT**

- A. The vendor **shall** at all times observe and comply with federal and State laws, local laws, ordinances, orders, and regulations existing at the time of or enacted subsequent to the execution of this contract which in any manner affect the completion of the work.
- B. The vendor **shall** indemnify and save harmless the agency and all its officers, representatives, agents, and employees against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or decree by an employee, representative, or subcontractor of the vendor.

5.5 **STATEMENT OF LIABILITY**

- A. The State will demonstrate reasonable care but will not be liable in the event of loss, destruction or theft of vendor-owned equipment or software and technical and business or operations literature to be delivered or to be used in the installation of deliverables and services. The vendor **shall** retain total liability for equipment, software and technical and business or operations literature. At no time will the State be responsible for or accept liability for any vendor-owned items.
- B. The vendor's liability for damages to the State **shall** be limited to the value of the Contract or \$3,000,000, whichever is higher. The foregoing limitation of liability **shall not** apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the vendor; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract. Neither the vendor nor the State **shall** be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability **shall not** apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the vendor; to claims covered by other specific provisions of the Contract calling for damages; or to court costs or attorney's fees awarded by a court in addition to damages after litigation based on the Contract.
- C. Nothing in these terms and conditions **shall** be construed or deemed as the State's waiver of its right of sovereign immunity. The vendor agrees that any claims against the State, whether sounding in tort or in contract, **shall** be brought before the Arkansas Claims Commission as provided by Arkansas law, and **shall** be governed accordingly.

5.6 RECORD RETENTION

- A. The vendor **shall** maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and as specified by the State of Arkansas Law. Upon request, access **shall** be granted to State or Federal Government entities or any of their duly authorized representatives.
- B. Financial and accounting records **shall** be made available, upon request, to the State of Arkansas's designee(s) at any time during the contract period and any extension thereof, and for five (5) years from expiration date and final payment on the contract or extension thereof. See previous Sections of this RFP for additional record retention requirements.

5.7 CONFIDENTIALITY

The vendor **shall** be bound to confidentiality of any information of which its employees may become aware during the course of performance of contracted tasks. Consistent and/or uncorrected breaches of confidentiality may constitute grounds for cancellation of the contract. See previous Sections of this RFP for additional confidentiality requirements.

5.8 CONTRACT INTERPRETATION

In the event of a difference of opinion between the agency and the vendor as to the meaning of any provision in these specifications, the agency may request clarification, but if agreement cannot be reached the decision of the agency or OSP **shall** be final and controlling.

5.9 CANCELLATION

In the event the State no longer needs the service or commodity specified in the contract or purchase order due to program changes, changes in laws, rules, or regulations, relocation of offices, or lack of appropriated funding, the State may cancel the contract or purchase order by giving the vendor written notice of such cancellation 30 days prior to the date of cancellation.

5.10 SEVERABILITY

If any provision of the Contract, including items incorporated by reference, is declared or found to be illegal, unenforceable, or void, then both ASP and the Contractor **shall** be relieved of all obligations arising under such provision. If the remainder of the Contract is capable of performance, it **shall not** be affected by such declaration or finding and shall be fully performed.

SECTION 5 - VENDOR'S ACKNOWLEDGMENT AND SIGNATURE

- Vendor **must** sign and submit this page with their Technical Proposal.
- Failure of vendor to sign and submit this page with their technical proposal **shall** cause the vendor's proposal to be rejected.
- Any requested exceptions to NON-mandatory items listed in this section **must** be declared below or as an attachment to this page. Vendor **must** clearly explain the requested exception, and should label the request in such a manner so as to reference the numbering system of the section.
- Exceptions to requirements **shall** cause the vendor's proposal to be rejected.

By signature below, vendor acknowledges, affirms, agrees to and **shall** fully comply with all requirements as shown in this section of the RFP.

Use Ink Only. Unsigned documents **shall not be considered.*

Company Name:			
*Authorized Signature:		Title:	
Printed/Typed Name:		Date:	

SECTION 6 – STANDARD TERMS AND CONDITIONS

- *Do not provide responses for items in this section.*
1. **GENERAL:** Any special terms and conditions included in this solicitation override these standard terms and conditions. The standard terms and conditions and any special terms and conditions become part of any contract entered into if any or all parts of the bid are accepted by the State of Arkansas.
 2. **ACCEPTANCE AND REJECTION:** The state reserves the right to accept or reject all or any part of a bid or any and all bids, to waive minor technicalities, and to award the bid to best serve the interest of the state.
 3. **BID SUBMISSION:** Bids **must** be submitted to the Office of State Procurement on this form, with attachments when appropriate, on or before the date and time specified for bid opening. If this form is not used, the bid may be rejected. The bid **must** be typed or printed in ink. The signature **must** be in ink. Unsigned bids will be disqualified. The person signing the bid should show title or authority to bind his firm in a contract. Each bid should be placed in a separate envelope completely and properly identified. Late bids will not be considered under any circumstances.
 4. **PRICES:** Bid unit price F.O.B. destination. In case of errors in extension, unit prices **shall** govern. Prices are firm and not subject to escalation unless otherwise specified in the bid invitation. Unless otherwise specified, the bid **must** be firm for acceptance for thirty days from the bid opening date. "Discount from list" bids are not acceptable unless requested in the bid invitation.
 5. **QUANTITIES:** Quantities stated in term contracts are estimates only, and are not guaranteed. Bid unit price on the estimated quantity and unit of measure specified. The state may order more or less than the estimated quantity on term contracts. Quantities stated on firm contracts are actual requirements of the ordering agency.
 6. **BRAND NAME REFERENCES:** Any catalog brand name or manufacturer's reference used in the bid invitation is descriptive only, not restrictive, and used to indicate the type and quality desired. Bids on brands of like nature and quality will be considered. If bidding on other than referenced specifications, the bid **must** show the manufacturer, brand or trade name, and other descriptions, and should include the manufacturer's illustrations and complete descriptions of the product offered. The state reserves the right to determine whether a substitute offered is equivalent to and meets the standards of the item specified, and the state may require the vendor to supply additional descriptive material. The vendor guarantees that the product offered will meet or exceed specifications identified in this bid invitation. If the vendor takes no exception to specifications or reference data in this bid he will be required to furnish the product according to brand names, numbers, etc., as specified in the invitation.
 7. **GUARANTY:** All items bid **shall** be newly manufactured, in first-class condition, latest model and design, including, where applicable, containers suitable for shipment and storage, unless otherwise indicated in the bid invitation. The vendor hereby guarantees that everything furnished hereunder will be free from defects in design, workmanship and material, that if sold by drawing, sample or specification, it will conform thereto and will serve the function for which it was furnished. The vendor further guarantees that if the items furnished hereunder are to be installed by the vendor, such items will function properly when installed. The vendor also guarantees that all applicable laws have been complied with relating to construction, packaging, labeling and registration. The vendor's obligations under this paragraph **shall** survive for a period of one year from the date of delivery, unless otherwise specified herein.
 8. **SAMPLES:** Samples or demonstrators, when requested, **must** be furnished free of expense to the state. Each sample should be marked with the vendor's name and address, bid number and item number. If samples are not destroyed during reasonable examination they will be returned at vendor's expense, if requested, within ten days following the opening of bids. All demonstrators will be returned after reasonable examination.
 9. **TESTING PROCEDURES FOR SPECIFICATIONS COMPLIANCE:** Tests may be performed on samples or demonstrators submitted with the bid or on samples taken from the regular shipment. In the event products tested fail to meet or exceed all conditions and requirements of the specifications, the cost of the sample used and the reasonable cost of the testing **shall** be borne by the vendor.
 10. **AMENDMENTS:** The bid cannot be altered or amended after the bid opening except as permitted by regulation.
 11. **TAXES AND TRADE DISCOUNTS:** Do not include state or local sales taxes in the bid price. Trade discounts should be deducted from the unit price and the net price should be shown in the bid.
 12. **AWARD:** Term Contract: A contract award will be issued to the successful vendor. It results in a binding obligation without further action by either party. This award does not authorize shipment. Shipment is authorized by the receipt of a purchase order from the ordering agency. Firm Contract: A written state purchase order authorizing shipment will be furnished to the successful vendor.
 13. **LENGTH OF CONTRACT:** This solicitation will show the period of time the term contract will be in effect.
 14. **DELIVERY ON FIRM CONTRACTS:** This solicitation will show the number of days to place a commodity in the ordering agency's designated location under normal conditions. If the vendor cannot meet the stated delivery, alternate delivery schedules may become a factor in an award. The Office of State Procurement has the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere and any additional cost will be borne by the vendor.

15. **DELIVERY REQUIREMENTS:** No substitutions or cancellations are permitted without written approval of the Office of State Procurement. Delivery **shall** be made during agency work hours only 8:00 a.m. to 4:30 p.m., unless prior approval for other delivery has been obtained from the agency. Packing memoranda **shall** be enclosed with each shipment.
16. **STORAGE:** The ordering agency is responsible for storage if the contractor delivers within the time required and the agency cannot accept delivery.
17. **DEFAULT:** All commodities furnished **will** be subject to inspection and acceptance of the ordering agency after delivery. Back orders, default in promised delivery, or failure to meet specifications authorize the Office of State Procurement to cancel this contract or any portion of it and reasonably purchase commodities elsewhere and charge full increase, if any, in cost and handling to the defaulting contractor. The contractor **must** give written notice to the Office of State Procurement and ordering agency of the reason and the expected delivery date. Consistent failure to meet delivery without a valid reason may cause removal from the vendors list or suspension of eligibility for award.
18. **VARIATION IN QUANTITY:** The state assumes no liability for commodities produced, processed or shipped in excess of the amount specified on the agency's purchase order.
19. **INVOICING:** The contractor **shall** be paid upon the completion of all of the following: (1) submission of an original and the specified number of copies of a properly itemized invoice showing the bid and purchase order numbers, where itemized in the invitation for bid, (2) delivery and acceptance of the commodities and (3) proper and legal processing of the invoice by all necessary state agencies. Invoices **must** be sent to the "Invoice To" point shown on the purchase order.
20. **STATE PROPERTY:** Any specifications, drawings, technical information, dies, cuts, negatives, positives, data or any other commodity furnished to the contractor hereunder or in contemplation hereof or developed by the contractor for use hereunder **shall** remain property of the state, be kept confidential, be used only as expressly authorized and returned at the contractor's expense to the F.O.B. point properly identifying what is being returned.
21. **PATENTS OR COPYRIGHTS:** The contractor agrees to indemnify and hold the State harmless from all claims, damages and costs including attorneys' fees, arising from infringement of patents or copyrights.
22. **ASSIGNMENT:** Any contract entered into pursuant to this solicitation is not assignable nor the duties thereunder delegable by either party without the written consent of the other party of the contract.
23. **OTHER REMEDIES:** In addition to the remedies outlined herein, the contractor and the state have the right to pursue any other remedy permitted by law or in equity.
24. **LACK OF FUNDS:** The state may cancel this contract to the extent funds are no longer legally available for expenditures under this contract. Any delivered but unpaid for goods will be returned in normal condition to the contractor by the state. If the state is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the contractor may file a claim with the Arkansas Claims Commission. If the contractor has provided services and there are no longer funds legally available to pay for the services, the contractor may file a claim.
25. **DISCRIMINATION:** In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the vendor agrees that: (a) the vendor **will not** discriminate against any employee or applicant for employment because of race, sex, color, age, religion, handicap, or national origin; (b) in all solicitations or advertisements for employees, the vendor **will** state that all qualified applicants **will** receive consideration without regard to race, color, sex, age, religion, handicap, or national origin; (c) the vendor will furnish such relevant information and reports as requested by the Human Resources Commission for the purpose of determining compliance with the statute; (d) failure of the vendor to comply with the statute, the rules and regulations promulgated thereunder and this nondiscrimination clause **shall** be deemed a breach of contract and it may be cancelled, terminated or suspended in whole or in part; (e) the vendor **will** include the provisions of items (a) through (d) in every subcontract so that such provisions **will** be binding upon such subcontractor or vendor.
26. **CONTINGENT FEE:** The vendor guarantees that he has not retained a person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, except for retention of bona fide employees or bona fide established commercial selling agencies maintained by the vendor for the purpose of securing business.
27. **ANTITRUST ASSIGNMENT:** As part of the consideration for entering into any contract pursuant to this solicitation, the vendor named on the front of this solicitation, acting herein by the authorized individual or its duly authorized agent, hereby assigns, sells and transfers to the State of Arkansas all rights, title and interest in and to all causes of action it may have under the antitrust laws of the United States or this state for price fixing, which causes of action have accrued prior to the date of this assignment and which relate solely to the particular goods or services purchased or produced by this State pursuant to this contract.
28. **DISCLOSURE:** Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, **shall** be a material breach of the terms of this contract. Any contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy **shall** be subject to all legal remedies available to the agency.

SECTION 6 - ACKNOWLEDGMENT AND SIGNATURE PAGE

- Vendor **must** sign and submit this page with their Technical Proposal.
- Failure of vendor to sign and submit this page with their technical proposal **shall** cause the vendor's proposal to be rejected.
- Exceptions to requirements **shall** cause the vendor's proposal to be rejected.

By signature below, vendor acknowledges, affirms, agrees to and **shall** fully comply with all requirements as shown in this section of the RFP.

Use Ink Only. Unsigned documents **shall not be considered.*

Company Name:			
*Authorized Signature:		Title:	
Printed/Typed Name:		Date:	