



**STATE OF ARKANSAS**  
**OFFICE OF STATE PROCUREMENT**  
1509 West 7th Street, Room 300  
Little Rock, Arkansas 72201-4222

**REQUEST FOR PROPOSAL**  
**BID SOLICITATION DOCUMENT**

SOLICITATION INFORMATION			
Bid Number:	SP-16-0143	Solicitation Issued:	07-07-2016
Description:	Worker's Compensation Claims Administration Software		
Agency:	Arkansas Insurance Department		

SUBMISSION DEADLINE FOR RESPONSE			
Bid Opening Date:	08-05-2016	Bid Opening Time:	1:00 p.m., Central Time
Proposals <b>shall not</b> be accepted after the designated bid opening date and time. In accordance with Arkansas Procurement Law and Rules, it is the responsibility of vendors to submit proposals at the designated location on or before the bid opening date and time. Proposals received after the designated bid opening date and time <b>shall</b> be considered late and <b>shall</b> be returned to the vendor without further review. It is not necessary to return "no bids" to OSP.			

DELIVERY OF RESPONSE DOCUMENTS	
Delivery Address:	Office of State Procurement 1509 West 7 <sup>th</sup> Street, Room 300 Little Rock, AR 72201-4222  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.
Proposal's Outer Packaging:	Outer packaging <b>must</b> 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. <ul style="list-style-type: none"><li>• Bid number</li><li>• Date and time of bid opening</li><li>• Vendor's name and return address</li></ul>

OFFICE OF STATE PROCUREMENT CONTACT INFORMATION			
OSP Buyer:	Stephanie Cellers	Buyer's Direct Phone Number:	501-371-6065
Email Address:	<a href="mailto:Stephanie.Cellers@dfa.arkansas.gov">Stephanie.Cellers@dfa.arkansas.gov</a>	OSP's Main Number:	501-324-9316
OSP Website:	<a href="http://www.dfa.arkansas.gov/offices/procurement/Pages/default.aspx">http://www.dfa.arkansas.gov/offices/procurement/Pages/default.aspx</a>		

## **SECTION 1 - GENERAL INSTRUCTIONS AND INFORMATION**

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

### **1.1 PURPOSE**

The Office of State Procurement (OSP) issues this Request for Proposal on behalf of the Arkansas Insurance Department (AID) to solicit proposals to provide claims administration software for workers' compensation claims involving the public employees of the State of Arkansas. The Public Employee Claims Division (PECD) of the Arkansas Insurance Department manages these claims. This RFP includes a software system, training, reporting, on-going maintenance, support services and help desk, customization and conversion and import of current claims data which is contained in custom SQL databases owned and maintained by the Arkansas Insurance Department.

### **1.2 TYPE OF CONTRACT**

- A. A Term contract will be awarded to a single vendor.
- B. The term of this contract **shall** be for three (3) years. The anticipated starting date for the contract is upon award. Upon mutual agreement by the vendor and agency, the contract may be renewed by OSP on a year-to-year basis, for up to four (4) additional one-year terms or a portion thereof.
- C. The total contract term **shall not** be more than seven (7) years.

### **1.3 ISSUING AGENCY**

OSP, as the issuing office, is the sole point of contact throughout this solicitation.

### **1.4 BID OPENING LOCATION**

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

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

### **1.5 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*, whether submitted in the vendor's proposal or in subsequent correspondence, **shall** cause the vendor's proposal to be disqualified.
- 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 *Agreement and Compliance Page*. Vendor **must** clearly explain the requested exception and should reference the specific solicitation item number to which the exception applies. (See *Agreement and Compliance Page*.)

### **1.6 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 point of an item in question as indicated in *Clarification of Bid Solicitation*.
- B. The words "bidder" and "vendor" are used synonymously in this document.
- C. The terms "Request for Proposal", "RFP" and "Bid Solicitation" are used synonymously in this document.
- D. Definitions used throughout the RFP:
  - a. PECD     Public Employee Claims Division
  - b. AID      Arkansas Insurance Department
  - c. AASIS    Arkansas Administrative Statewide Information System

- d. MCO Managed Care Organization
- e. PBM Pharmacy Benefit Manager
- f. EOB's Explanation of Benefits
- g. ISO Insurance Services Office
- h. SSL Secured Socket Layer
- i. MMSEA Medicare, Medicaid, and SCHIP Extension Act of 2007
- j. PPO Preferred Provider Organization
- k. ASCII American Standard Code for Information Interchange
- l. SDLC Systems Development Life Cycle
- m. ICD10 International Classification of Diseases, Revision 10

## 1.7 **RESPONSE DOCUMENTS**

### A. Original Technical Proposal Packet

1. The original *Technical Proposal Packet* **must** be submitted on or before the bid opening date and time.
2. The Proposal Packet should be clearly marked "Original" and **must** include the following:
  - a. Original signed *Proposal Signature Page*. (See *Proposal Signature Page*.)
  - b. Original signed *Agreement and Compliance Pages*. (See *Agreement and Compliance Pages*.)
  - c. *Technical Proposal* response to the *Information for Evaluation* section included in the *Technical Proposal Packet*.
  - d. Other documents and/or information as may be expressly required in this *Bid Solicitation*.
3. The following items should be submitted in the original *Technical Proposal Packet*.
  - a. EO 98-04 Disclosure Form. (See *Standard Terms and Conditions, #27. Disclosure*.)
  - b. Copy of Vendor's *Equal Opportunity Policy*. (See *Equal Opportunity Policy*.)
  - c. *Voluntary Product Accessibility Template* (VPAT). (See *Technology Access*.)
4. **DO NOT** include any other documents or ancillary information, such as a cover letter or promotional/marketing information.

### B. Official Bid Price Sheet. (See *Pricing*.)

1. Vendor's original *Official Bid Price Sheet* **must** be submitted in hard copy format.
2. Vendor should also submit two (2) electronic copies of the *Official Bid Price Sheet*, preferably on a flash drive. A CD will also be acceptable.
3. The *Official Bid Price Sheet*, including the hard copy and electronic copy, **must** be separately sealed from the *Technical Proposal Packet* and should be clearly marked as "Pricing". Vendor **must not** include any pricing in the hard copies or electronic copies of their *Technical Proposal Packet*.

### C. Additional Copies and Redacted Copy of the Technical Proposal Packet

In addition to the original *Technical Proposal Packet* and the *Official Bid Price Sheet*, the following items should be submitted:

1. Additional Copies of the *Technical Proposal Packet*
  - a. Six (6) complete hard copies (marked "COPY") of the *Technical Proposal Packet*.
  - b. Seven (7) electronic copies of the *Technical Proposal Packet*, preferably on flash drives. CDs will also be acceptable.
  - c. All additional hard copies and electronic copies **must** be identical to the original hard copy. In case of a discrepancy, the original hard copy **shall** govern.

- d. If OSP requests additional copies of the proposal, the copies **must** be delivered within twenty-four (24) hours of request.
2. One (1) redacted (marked "REDACTED") copy of the original *Technical Proposal Packet*, preferably on a flash drive. A CD will also be acceptable. (See *Proprietary Information*.)

### 1.8 **ORGANIZATION OF RESPONSE DOCUMENTS**

- A. It is strongly recommended that vendors adhere to the following format and suggestions when preparing their Technical Proposal response.
- B. The original *Technical Proposal Packet* and all copies should be arranged in the following order.
  1. *Proposal Signature Page*.
  2. *All Agreement and Compliance Pages*.
  3. Signed Addenda, if applicable.
  4. E.O. 98-04 – *Contract Grant and Disclosure Form*.
  5. *Equal Opportunity Policy*.
  6. *Voluntary Product Accessibility Template (VPAT)*.
  7. Other documents and/or information as may be expressly required in this *Bid Solicitation*. Label documents and/or information so as to reference the *Bid Solicitation's* item number.
  8. Technical Proposal response to the *Information for Evaluation* section of the *Technical Proposal Packet*.

### 1.9 **ORAL PRESENTATIONS/DEMONSTRATIONS**

- A. Five (5) vendors, who receive the highest ranking scores in the Technical Proposal portion of the solicitation process, will be required to provide an oral presentation/demonstration. Selected vendors **must** provide an oral presentation/demonstration to be eligible to move forward in the solicitation process. See Section 3 *Criteria for Selection*.
- A. Vendors will be given a minimum of two (2) weeks' notice for scheduling of the demonstration. The vendor may request the presentation be scheduled earlier, provided the date and time are acceptable by the agency. Parameters for the presentation will be provided when vendor is contacted for scheduling.
- B. Demonstrations will be conducted on-site in Little Rock, Arkansas at a location determined by the agency.
- C. Demonstrations **must** be conducted with the same system as proposed. System failure **shall** result in disqualification of a vendor's proposal.
- D. Pricing **must not** be discussed or exposed during the presentation/demonstration.
- E. All presentations are subject to being recorded.
- F. All expenses associated with the demonstration except travel, meals, and lodging for State personnel, **must** be borne by the vendor.

### 1.10 **CLARIFICATION OF BID SOLICITATION**

- A. Vendors may submit written questions requesting clarification of information contained in this *Bid Solicitation*. Written questions **must** be submitted by 4:00 p.m., Central Time on July 21, 2016. Vendors **must** submit written questions by email to the OSP buyer as shown on page one (1) of this *Bid Solicitation*.
  1. For each question submitted, vendor should reference the specific solicitation item number to which the question refers.
  2. Vendors' written questions will be consolidated and responded to by the State. The State's consolidated written response is anticipated to be posted to the OSP website by the close of business on July 27, 2016.

- B. Vendors may contact the OSP buyer with procurement-related questions at any time prior to the bid opening.

#### 1.11 **PROPOSAL SIGNATURE PAGE**

- A. An official authorized to bind the vendor(s) to a resultant contract **must** sign the *Proposal Signature Page* included in the *Technical Proposal Packet*.
- B. Vendor's signature on this page **shall** signify vendor's agreement that either of the following **shall** cause the vendor's proposal to be disqualified:
1. Additional terms or conditions submitted intentionally or inadvertently.
  2. Any exception that conflicts with a Requirement of this *Bid Solicitation*.

#### 1.12 **AGREEMENT AND COMPLIANCE PAGES**

- A. Vendor **must** sign all *Agreement and Compliance Pages* relevant to each section of the *Bid Solicitation Document*. The *Agreement and Compliance Pages* are included in the *Technical Proposal Packet*.
- B. Vendor's signature on these pages **shall** signify agreement to and compliance with all Requirements within the designated section.

#### 1.13 **SUBCONTRACTORS**

Subcontractors are not allowed to perform work under the terms of this contract.

#### 1.14 **PRICING**

- A. Vendor(s) **must** include all pricing on the Official Price Bid Sheet(s) only. Any cost not identified by the successful vendor but subsequently incurred in order to achieve successful operation will be borne by the vendor. The *Official Bid Price Sheet* is provided as a separate excel file posted with this *Bid Solicitation*.
- B. To allow time to evaluate proposals, prices **must** be valid for 180 days following the bid opening.
- C. The *Official Bid Price Sheet*, including the hard copy and electronic copy, will be separately sealed from the *Technical Proposal Packet* and should be clearly marked as "Pricing". DO NOT submit any ancillary information not related to actual pricing in the sealed pricing package.
- D. Vendor **must not** include any pricing in the hard copies or electronic copies of their *Technical Proposal Packet*. Should hard copies or electronic copies of their *Response Packet* contain any pricing, the response **shall** be disqualified.
- E. Failure to complete and submit the *Official Bid Price Sheet* **shall** result in disqualification.
- F. All proposal pricing **must** be in United States dollars and cents.
- G. The Official Bid Price Sheet may be reproduced as needed.

#### 1.15 **PRIME CONTRACTOR RESPONSIBILITY**

- A. A joint proposal submitted by two or more vendors is acceptable. However, a single vendor **must** be identified as the prime contractor.
- B. The prime contractor **shall** be held responsible for the contract and **shall** be the sole point of contact.

#### 1.16 **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:
1. The prices in the proposal have been arrived at independently, without collusion.
  2. No prior information concerning these prices has been received from, or given to, a competitive company.

- B. Evidence of collusion **shall** warrant consideration of this proposal by the Office of the Attorney General. All vendors **shall** understand that this paragraph may be used as a basis for litigation.

#### 1.17 **PROPRIETARY INFORMATION**

- A. Submission documents pertaining to this *Bid Solicitation* become the property of the State and **shall** be subject to the Arkansas Freedom of Information Act (FOIA).
- B. One (1) complete copy of the submission documents from which any proprietary information has been redacted should be submitted on a flash drive in the *Technical Proposal Packet*. A CD is also acceptable.
- C. Except for the redacted information, the redacted copy **must** be identical to the original hard copy, reflecting the same pagination as the original and showing the space from which information was redacted.
- D. The vendor **shall** be responsible for identifying all proprietary information and for ensuring the electronic copy is protected against restoration of redacted data.
- E. The redacted copy **shall** be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the vendor.
- F. If a redacted copy of the submission documents is not provided with vendor's response packet, a copy of the non-redacted documents, with the exception of financial data (other than pricing), **shall** be released in response to any request made under the Arkansas Freedom of Information Act (FOIA).
- G. If the State deems redacted information to be subject to FOIA, the vendor will be contacted prior to release of the documents.

#### 1.18 **CAUTION TO VENDORS**

- A. Prior to any contract award, all communication concerning this *Bid Solicitation* **must** be addressed through OSP.
- B. Vendor **must not** alter any language in any solicitation document provided by the State.
- C. Vendor **must not** alter the Official Bid Price Sheet.
- D. All official documents and correspondence related to this solicitation will be included as part of the resultant contract.
- E. Proposals **must** be submitted only in the English language.
- F. The State **shall** have the right to award or not award a contract, if it is in the best interest of the State to do so.
- G. Vendor **must** provide clarification of any information in their response documents as requested by OSP.
- H. Qualifications and proposed services **must** meet or exceed the required specifications as set forth in this *Bid Solicitation*.
- I. Vendors may submit multiple proposals.

#### 1.19 **REQUIREMENT OF ADDENDUM**

- A. This *Bid Solicitation* will be modified only by an addendum written and authorized by OSP.
- B. An addendum posted within three (3) calendar days prior to the bid opening will extend the bid opening and may or may not include changes to the Bid Solicitation.
- C. The vendor **shall** be responsible for checking the OSP website, <http://www.arkansas.gov/dfa/procurement/bids/index.php>, for any and all addenda posted up to bid opening.

**1.20 AWARD PROCESS****A. Successful Vendor Selection**

The Grand Total Score for each vendor, which **shall** be a sum of the Technical Score, Oral Presentation/Demonstration Score, and Cost Score, **shall** be used to determine the ranking of proposals. The vendor with the highest ranking proposal **shall** move forward to the next step in the solicitation process.

**B. Negotiations**

1. If the State so chooses, it **shall** have the right to conduct negotiations with the highest ranking vendor. All negotiations **shall** be conducted at the sole discretion of the State. The State **shall** solely determine the items to be negotiated.
2. If negotiations fail to result in a contract, the State **shall** declare the vendor as non-responsive and will begin the negotiation process with the next highest ranking vendor. The negotiation process will be repeated until an anticipated successful vendor has been determined, or until such time as the State decides not to move forward with an award.

**C. Anticipation to Award**

1. Once an anticipated successful vendor has been determined, the anticipated award will be posted on the OSP website at [http://www.arkansas.gov/dfa/procurement/pro\\_intent.php](http://www.arkansas.gov/dfa/procurement/pro_intent.php).
2. The anticipated award will be posted for a period of fourteen (14) days prior to the issuance of a contract. Vendors and agencies are cautioned that these are preliminary results only, and a contract will not be issued prior to the end of the fourteen day posting period.
3. OSP **shall** have the right to waive the policy of Anticipation to Award when it is in the best interest of the State.
4. It is the vendor's responsibility to check the OSP website for the posting of an anticipated award.

**D. Issuance of Contract**

1. Any resultant contract of this *Bid Solicitation* **shall** be subject to State approval processes which may include Legislative review and approval.
2. A State Procurement Official will be responsible for award and administration of any resulting contract.

**1.21 MINORITY BUSINESS POLICY**

A. Minority is defined by Arkansas Code Annotated § 15-4-303 as a lawful permanent resident of this State who is:

- |                      |   |
|----------------------|---|
| a. African American  | e. Pacific Islander American  |
| b. American Indian   | f. A Service Disabled Veterans as designated by the United States Department of Veteran Affairs |
| c. Asian American    |   |
| d. Hispanic American |   |

B. The Arkansas Economic Development Commission conducts a certification process for minority businesses and disabled veterans. The vendor's Certification Number should be included on the vendor's *Proposal Signature Page*.

**1.22 EQUAL 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](mailto:eeopolicy.osp@dfa.arkansas.gov), but should also be included as a hardcopy accompanying the solicitation response.

C. The submission of an *EO Policy* to OSP is a one-time Requirement. 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, who are not required by law by to have an *EO Policy*, **must** submit a written statement to that effect.

### 1.23 **PROHIBITION OF 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 with OSP stating that they do not employ or contract with illegal immigrants.

B. OSP will notify the selected vendor(s) prior to award if their certification has expired or is not on file. Instructions for completing the certification process will be provided to the vendor(s) at that time.

### 1.24 **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 disqualified.

### 1.25 **TECHNOLOGY ACCESS**

A. When procuring a technology product or when soliciting the development of such a product, the State of Arkansas is required to comply with the provisions of Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, which expresses the policy of the State to provide individuals who are blind or visually impaired with access to information technology purchased in whole or in part with state funds. The Vendor expressly acknowledges and agrees that state funds may not be expended in connection with the purchase of information technology unless that technology meets the statutory Requirements found in 36 C.F.R. § 1194.21, as it existed on January 1, 2013 (software applications and operating ICSs) and 36 C.F.R. § 1194.22, as it existed on January 1, 2013 (web-based intranet and internet information and applications), in accordance with the State of Arkansas technology policy standards relating to accessibility by persons with visual impairments.

B. ACCORDINGLY, THE VENDOR EXPRESSLY REPRESENTS AND WARRANTS to the State of Arkansas through the procurement process by submission of a Voluntary Product Accessibility Template (VPAT) for 36 C.F.R. § 1194.21, as it existed on January 1, 2013 (software applications and operating ICSs) and 36 C.F.R. § 1194.22, that the technology provided to the State for purchase is capable, either by virtue of features included within the technology, or because it is readily adaptable by use with other technology, of:

1. Providing, to the extent required by Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, equivalent access for effective use by both visual and non-visual means
2. Presenting information, including prompts used for interactive communications, in formats intended for non-visual use
3. After being made accessible, integrating into networks for obtaining, retrieving, and disseminating information used by individuals who are not blind or visually impaired
4. Providing effective, interactive control and use of the technology, including without limitation the operating system, software applications, and format of the data presented is readily achievable by nonvisual means;
5. Being compatible with information technology used by other individuals with whom the blind or visually impaired individuals interact
6. Integrating into networks used to share communications among employees, program participants, and the public
7. Providing the capability of equivalent access by nonvisual means to telecommunications or other interconnected network services used by persons who are not blind or visually impaired

- C. State agencies cannot claim a product as a whole is not reasonably available because no product in the marketplace meets all the standards. Agencies **must** evaluate products to determine which product best meets the standards. If an agency purchases a product that does not best meet the standards, the agency must provide written documentation supporting the selection of a different product, including any required reasonable accommodations.
- D. For purposes of this section, the phrase “equivalent access” means a substantially similar ability to communicate with, or make use of, the technology, either directly, by features incorporated within the technology, or by other reasonable means such as assistive devices or services which would constitute reasonable accommodations under the Americans with Disabilities Act or similar state and federal laws. Examples of methods by which equivalent access may be provided include, but are not limited to, keyboard alternatives to mouse commands or other means of navigating graphical displays, and customizable display appearance. As provided in Arkansas Code Annotated § 25-26-201 et seq., as amended by Act 308 of 2013, if equivalent access is not reasonably available, then individuals who are blind or visually impaired shall be provided a reasonable accommodation as defined in 42 U.S.C. § 12111(9), as it existed on January 1, 2013.
- E. If the information manipulated or presented by the product is inherently visual in nature, so that its meaning cannot be conveyed non-visually, these specifications do not prohibit the purchase or use of an information technology product that does not meet these standards.

#### 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 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 levied against the State when accepting the p-card as a form of payment.
- C. VISA is not the exclusive method of payment.

#### 1.28 **PUBLICITY**

- A. Vendors **shall not** issue a news release pertaining to this *Bid Solicitation* or any portion of the project without OSP’s prior written approval.
- B. Failure to comply with this Requirement **shall** be cause for a vendor’s proposal to be disqualified.

#### 1.29 **RESERVATION**

The State **shall not** pay costs incurred in the preparation of a proposal.

## **SECTION 2 – MINIMUM REQUIREMENTS**

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

### **2.1 INTRODUCTION**

The Public Employee Claims Division (PECD) of the Arkansas Insurance Department (AID) is responsible for administering workers' compensation claims filed by State employees. The Division provides workers' compensation coverage for approximately 56,000 employees and receives around 3,700 workers' compensation claims per year. PECD spends approximately \$15,000,000.00 on claims costs and generates payments for approximately 60,000 invoice line items. Under this RFP, AID seeks to purchase a software system to provide claims administration for workers' compensation claims involving the public employees of the state of Arkansas, (the "System"), training on the System, reporting, ongoing System maintenance, help desk and support services, customization, and conversion and import of current claims data.

### **2.2 CURRENT ENVIRONMENT**

- A. Managed Care Organization (MCO) is Systemedic, Inc.
- B. Telephonic reporting company is Company Nurse
- C. Pharmacy Benefit Manager (PBM) is Optum, formerly known as Helios
- D. Imaging software database is Xerox Docu-share

### **2.3 SYSTEM REQUIREMENTS**

#### **A. CLAIMS COVERED**

- 1. The System **must** cover the following claims for:
  - a. All state agencies regardless of date of injury
  - b. Public colleges and universities regardless of date of injury
  - c. Residual city and county claims with accident dates prior to July 1, 1986
  - d. Residual school (K-12) claims with injury dates arising prior to July 1, 1994

#### **B. CLAIMS CATEGORIES**

- 1. Claims **must** be categorized by the following groups:
  - a. School (K-12)
  - b. City
  - c. County
  - d. State

#### **C. CLAIMS CODES**

- 1. The System **must** support alpha/numeric agency claim code of up to four (4) digits. Within each claim group, each agency has a code and several agencies have multiple codes. (e.g. the Arkansas Highway Dept. has the following agency codes: BG01, BG02, BG03, BG04, BG05, BG06, BG07, etc.)

#### **D. CLAIMS ADMINISTRATION FUNCTIONS**

- 1. The vendor **shall** provide a claims software program and database for administration of workers' compensation claims filed pursuant to Arkansas Workers' Compensation Laws and Rules and Regulations. Claims data **must** reside on Arkansas Insurance Department servers in Little Rock, Arkansas.

2. The System **must** allow for various categories of Users and role assignments and security levels for categories of Users. AID initially requires the following User Groups but will need the ability to modify and add to User Groups:
  - a. Adjuster Users
  - b. Administrative Support Users
  - c. Supervisor Users
  - d. IT Users
  - e. Systems Administrator Users
  - f. State Agency Users
3. The System **must** provide a Diary System which **must**:
  - a. Allow for setting of events by date (calendar system) organized by User ID.
  - b. Have a summary screen showing all claims assigned to Adjuster User and all deadlines for a date range. This **must** be available to the individual Adjuster User and Supervisor Users.
  - c. Have the capability for Supervisor Users to access all Adjuster User diaries and set tasks/events.
4. The System **must** provide payment processing capability which **must**:
  - a. Provide for a two-step payment/approval process to ensure two (2) personnel are involved in each payment to prevent fraud.
  - b. Produce multiple payment files compatible with an SAP system for upload to AASIS on a daily basis.
  - c. Produce payment files to pay for UAMS pharmacy services based on an apportionment of pharmacy costs on a monthly basis.
  - d. Import billing file(s) with review capability for verification
    - i. From AID MCO (batch processing for PPO access fees and bill review charges) on a monthly basis
    - ii. Import and processing of billing file(s) from telephonic reporting company on a monthly basis
    - iii. Import and processing billing file(s) from PBM on a bimonthly basis
    - iv. Import images and data Explanation of Benefits (EOB's) with original bill and medical record images, and data for payment processing from MCO on a daily basis
5. The System **must** provide the ability to reconcile with payment files (ASCII flat text file) – including import of warrant (check) numbers from AASIS.
6. The System **must** provide a claims reserving system of a minimum of three (3) categories:
  - a. Compensation
  - b. Medical
  - c. Other

7. The System **must** provide the ability to import claims data from telephonic reporting company with the capability of sending the assignment of claims to one (1) User Group.
8. The System **must** provide a Notes system in each claim that allows for Users to place notes documenting phone calls, claim decisions and other significant events. Each entry and revision **must** be associated with a timestamp and the person making the entry or change.
9. The System **must** provide the ability to interface with imaging software database via a Browser URL call with Administrator configurable URL parameters for viewing and the ability to save/export to specified folders for import into an imaging database.
10. The vendor **must** update Maximum Benefit Calculations, the total disability and permanent partial disability rates, or provide a means for the Public Employee Claims Division personnel to update those rates in the System before every January 1<sup>st</sup> for claims occurring in the upcoming calendar year. See Section 2.7 for Support Services Requirements
11. The vendor **shall** update the Workers' Compensation Commission Forms, when the Arkansas Workers' Compensation Commission updates/changes forms or creates new forms that workers' compensation administrators are required to use, a minimum of thirty (30) calendar days before the new forms are required to be used. See Section 2.7 for Support Services Requirements. See also Exhibit C.
  - a. The forms **must** be accessible while inside a claim and the software should automatically populate some information about the claim gathered from the particular claim file. Additional information should be input by Adjuster User.
  - b. Forms **must** be printable so that Users may file the forms with the Arkansas Workers' Compensation Commission.

#### **E. FURTHER TECHNICAL REQUIREMENTS**

1. The System **must** be accessible through AID's Intranet by AID central/local office staff. **Must not** be a product offered through cloud services.
2. The System **must** support integration with an industry standard LDAP/authentication product.
3. The System **must** allow access to a minimum of one hundred (100) concurrent Users.
4. The System **must** have an average response time of less than four (4) seconds.
5. The System **must** provide safeguards that prevent Users from severely degrading system performance or "hanging" the system (e.g., searches that return a large number of records).
6. The System **must** follow State password standards which can be found at:  
[http://www.dis.arkansas.gov/policiesStandards/Documents/SS-70-002\\_password\\_standard.pdf](http://www.dis.arkansas.gov/policiesStandards/Documents/SS-70-002_password_standard.pdf)
  - a. Initial User setup, a list of Users and Usernames will be provided by AID.
  - b. Initial login password must be provided by the vendor. The password must be reset by the User during the initial login.
  - c. Passwords must be self-service and User passwords must have automated reset every ninety (90) calendar days.
7. The System **must** include 256 Bit encryption or better for confidentiality.
8. The System **must** support the use of standard SSL infrastructure technology to control access to sensitive data over the Internet.

9. The System **must** provide capability to maintain system User security roles and allow a Security Administrator, assigned by AID, to assign User to groups with similar access capabilities tied to Microsoft Active Directory Groups.
10. The System **must** meet all AID security requirements. Software applications **must** adhere to AID, and State of Arkansas, security standards and policies which can be found at: <http://www.dis.arkansas.gov/policiesStandards/Pages/default.aspx>
11. The System **must** utilize Transaction Control Protocol/Internet Protocol (TCP/IP) communications protocol for application, database, and workstation connectivity.
12. The System **must** produce an audit log of any data base change. The log **must** provide the capability to be reviewed by designated Users. The audit log **must** include the following:
  - a. Editing User
  - b. Edits made
  - c. Time of edits made
  - d. Date of edits made
13. The System **must** be capable of storing recurring data searches for future use.
14. The System **must** be capable of version control and allow a designated User to view/export all reports.
15. The System **must** be capable of providing audit trails that identify document input, change, approval, and deletions by User.
16. The System **must** include administration and auditing tools for managing and maintaining the system by AID personnel.
17. The System **must** be maintainable. The vendor **must** be able to perform successful repair actions to the System within an agreed upon timeframe after a failure occurs. See Section 2.7 Support Services.
18. System enhancements **must** follow the standard industry Systems Development Life Cycle (SDLC) frameworks. See Section 2.6 for Maintenance Requirements.
19. The System **must** integrate with common office workstation applications used for word processing, spreadsheets, data management, and graphics; including Microsoft Word, Microsoft Excel and Adobe Acrobat. The 'System' should also integrate with other common office workstation applications, including applications in Microsoft Office Professional.
20. The System **must** provide the ability to selectively retrieve archived data based on User-defined criteria such as date or accounting period.
21. The System **must** be compatible at a minimum, with the following:
  - a. MS Windows 2008R2 virtual machine in a VMWare virtual environment
  - b. MS Windows 2012 virtual machine in a VMWare virtual environment
  - c. MYSQL database solution
  - d. MS SQL database solution

**F. REPORTING**

1. The vendor **shall** provide the following reports to AID:
  - a. Diagnostic Report (See Section 2.7 H)
  - b. Batch Monitoring Report (See Section 2.7 I)
2. The System **must** provide the following reporting capabilities:
  - a. The System **must** be capable of generating standard workers' compensation claim and payment loss run reports, selectable by date range and/or agency code. See Exhibit B for examples of AID's existing reports. These **must** include, but are not limited to the following:
    - i. Payment record per claim;
    - ii. Number of lost time (days) by agency – selectable by date range and agency code ;
    - iii. Activity report showing all openings/closings of claims by adjuster and amount of expenditures by claim fund:
      - City
      - County
      - School (K-12)
      - State
    - iv. Actuary Report:
      - Line item report Claim Number
      - Date of Accident
      - Amount of Compensation (Indemnity Benefits)
      - Medical Benefits
      - Other Benefits
      - Total of expenditure per year with totals at the bottom of the spreadsheet;
    - v. Agency Claim Summary Report
      - Listing claim number
      - Claimant name
      - Injury code descriptions (body part, type of injury, and cause, and description of how injury occurred from Form I-A1 information, date of injury, date received, adjuster, and date closed, if applicable)
    - vi. Loss Run Report
      - Listing claim number
      - Injury code descriptions – including body part, type and cause code descriptions, and amount of expenditures by compensation type.

- Medical and other categories
  - Selectable for all agencies or by specific agency and date range
  - vii. School Summary Report - lists all schools and the total claims expenditures by school;
  - viii. Adjuster Summary Report – lists all claims assigned to adjuster with a summary page on front report, listing the number of open claims by adjuster;
  - ix. Agency Statistical Report – lists each agency and the number of claims received;
  - x. Ad hoc reporting tool - allows for each User to design special reports and save query
- b. The System **must** provide the following export capabilities for all reports generated in the System by AID:
- i. Exporting of reports to Microsoft Excel
  - ii. Exporting of reports to PDF format in Adobe Acrobat
  - iii. Print all static reports, including at a minimum:
    - Activity Report
    - Payment Record Report
    - Number Loss Report
    - Agency Claims Summary Report
    - Loss Run Report
    - School Summary Report
    - Adjuster Summary Report
    - Agency Monthly Report
    - Agency OSHA Report
    - Claim Total Report
    - All Claims Report
    - All Open Claims By Agency Code Report
    - Expenditure and Appropriation Report
    - Individual Manager List Report
    - Managers Statistical Report
    - Medical Only Closed Report
    - Medical Only Closed Statistical Report – By Body Part
    - Medical Only Closed Statistical Report – By Manager

- Medical Only Received Report
  - Medical Only Received Statistical Report – By Body Part
  - Medical Only Received Statistical Report – By Manager
  - State Agency Statistical Report
3. The vendor's system **must** have the ability to export any claims and payment data to standard format (pipe delimited) for export to another claim system upon contract expiration at no additional cost to the State of Arkansas. Any claims and payment data stored on the vendor's system **shall** belong to the PECD.
  4. The System **must** be able to export the following completed Arkansas Workers' Compensation forms in paper format to file with Workers' Compensation Commission. These forms are issued by the Arkansas Workers' Compensation and are state specific. The following forms can be found at <http://www.awcc.state.ar.us/revforms.html> and also see Exhibit C.
    - a. I-A1
    - b. 4
    - c. M
    - d. 2
    - e. S
  5. The System **must** have the capability of using custom injury codes, provided by PECD upon award of contract, with cross-reference ICD10 codes which will be provided by the Public Employee Claims Division.
  6. The System **must** have the capability to automatically populate certain fields in AID Form Letters, including at a minimum: claimant name, address, claim number, agency name and date of injury. See Exhibit A for examples of the AID Form Letters currently in use.

#### **G. OPTIONAL CAPABILITIES**

1. Optional Capabilities as established by AID at a minimum include the following:
  - a. Insurance Services Office (ISO) Claim Search interface.
  - b. Medicare MMSEA reporting tool with ICD9 and ICD10 capability.

#### **H. IMPLEMENTATION**

AID describes below the preferred timetable for implementation and the associated milestones. In its proposal, Vendor may submit an alternative timetable for implementation that addresses these milestones. The vendor's proposal **must** clearly state that Vendor agrees to the AID timeline or clearly set forth an Alternative Implementation Timeline that addresses the milestones described below.

##### **1. TIMEFRAMES**

AID's preferred timeline is described below. Contract Award is defined as the date the vendor receives a signed Outline Agreement from AID. The Outline Agreement is issued to the vendor after all required postings (including Anticipation to Award) and reviews (including Legislative Committee Review). Depending on the Legislative Committee Review process, contract award could occur between six (6) to eight (8) weeks after the Anticipation to Award posting.

- a. The System is fully operational in the production environment by July 17, 2017 (System Deadline)

- i. Project Plan Milestone - Vendor submits Project Plan to AID within thirty (30) business days following Contract Award
- ii. Project Kick Off Milestone – Vendor meets with AID to review Project Plan within fifteen (15) business days following receipt of the Project Plan
- iii. Initial Installation Milestone – Vendor accomplishes installation of software within sixty (60) business days following Project Kick Off
- iv. Data Conversion and Custom Reports Milestone – Vendor completes data conversion and building Custom Reports and Forms no later than thirty (30) business days before Go Live
- v. User Testing and Acceptance – Vendor and AID complete no earlier than twenty (20) business days before Go Live
- vi. On-Site Training Milestone – Vendor delivers training within ten (10) business days of Go Live
- vii. Go Live Milestone – July 3, 2017
- viii. On-site Go Live Support– July 10, 2017 – July 14, 2017

## 2. ACCEPTANCE AND TESTING

- a. Vendor **must** supply a detailed Project Plan inclusive of milestone charts and acceptance criteria no later than thirty (30) business days after contract award. Vendor **must** submit a high-level project plan in the proposal. Vendor **must** also submit with the proposal a complete implementation plan that states whether Vendor will meet AID's preferred implementation timetable and how Vendor will meet AID's preferred implementation timetable. Or, Vendor **must** submit an implementation plan that suggests an alternative implementation timetable. All of the Milestones described in AID's preferred timetable **must** be addressed in the Vendor's response. Vendor may include an alternative timetable of milestones in its proposal if Vendor does not agree to the preferred AID Implementation Timetable.
- b. The project plan is subject to modification by AID, and **must** have written approval of AID prior to commencement of installation and testing by the vendor.
- c. If the System fails AID's acceptance testing, AID will notify the vendor of the deficiencies in writing.
- d. The Arkansas Insurance Department **shall** have the option to return any product(s) or terminate any services within ninety (90) calendar days of the System Deadline. The vendor's proposal **must** include a "total satisfaction" return policy for all products and **shall not** impose any liability on the State for such returns.

### 2.4 TRAINING

- A. The vendor **must** provide up to one week of in person training.
- B. AID will provide estimates of the number of people to be trained by the vendor upon award.
- C. The vendor **must** provide all materials for training to include at a minimum; manuals, training aids, etc. in both hard copy and electronic media.
- D. All training **must** be completed prior to the completion of the Go Live Date.
- E. The training plan schedule is subject to approval by Arkansas Insurance Department.

#### 1. **IT Training**

- a. IT training **must** be provided for no more than six (6) total staff.
- b. IT Training **must** include at a minimum the following key areas:

- i. **Security Administrator Training** – The vendor **shall** train staff that is responsible for access management
- ii. **System Familiarity Training** – AID will not necessarily perform these functions, but would like to be knowledgeable about the system. System Familiarity Training **must** include:
  - Architecture Training - Training regarding the operation, maintenance, remote management and on-site support of the System.
  - Software Training - Training regarding the software (excluding the application) used for support and maintenance of the System.
  - Database Training - Training regarding the support and maintenance of the database.

## 2. User Training

- a. User training **must** be provided for a maximum forty (40) total staff.
- b. User Training **must** include at a minimum the following:

- i. **Application Training** - The vendor **shall** train on the portion of the application to be moved to production. Training **must** cover those pieces of the application to be in production, including those portions already moved to production. The vendor **must** ensure that the trainer understands the application. Application Training **must** be provided for all User Groups.
- ii. **User Group Training** – Vendor **shall** train User Groups based on the functionality of the groups. Training should be conducted only for the groups having access to the functions that will be detailed in training.

F. Vendor **shall** provide two (2) resources for five (5) business days for On-site Go Live Support following the Go Live Date or another timeframe agreed upon by both parties.

1. The two (2) resources **shall** include one (1) technical resource for troubleshooting any issues arising following the Go Live Date and one (1) training resource to provide additional one-on-one end User training following the Go Live Date and to assist end Users with questions following the Go Live Date.

## 2.5 SYSTEM MAINTENANCE

Maintenance applies to all core Software System Components and includes at a minimum, the following elements:

### A. Installation of Service Packs

1. Service packs are defined to include the following:
  - a. A packaged set of repaired defects,
  - b. Enhancements to the existing software,
  - c. New software components
2. Vendor **shall** notify AID of all service packs as they are released
3. Vendor **must** send AID documentation that identifies the affected software components and classifies the service pack item as either:
  - a. Low Impact- software component is backward compatible,
  - b. Medium Impact- software component is backward compatible, configuration or documentation changes are required, or

- c. High Impact- software component requires either new database structures, data fixes, or recompilation of components; existing business practices may be impacted

4. The vendor **shall** work with AID to schedule and perform installation of service packs.

#### B. Documentation

1. The vendor **must** ensure that new and revised documentation including help files and configuration documents associated with the AID software system are delivered with the appropriate service packs as they are issued.

#### C. Upgrades

1. The vendor **shall** work with AID on the implementation and scheduling of all system upgrades as they are released.

### 2.6 HELP DESK

- A. Vendor **must** provide a toll free telephone support center for use by AID with the following functionalities:

1. End User Support: Available during AID business hours 8:00 a.m. to 5:00 p.m. (CST) Monday through Friday, excluding State holidays, <http://www.sos.arkansas.gov/aboutOffice/Pages/stateHolidayCalendar.aspx>
2. IT Staff Support: Available during AID business hours, Monday through Friday 8:00a.m. to 5:00 p.m. (CST), and available twenty-four (24) hours a day, seven (7) days a week during a system outage occurring longer than four (4) consecutive hours during normal business hours.
3. English-speaking staff
4. Preferably located within the continental United States of America.

- B. The toll free number **must** be provided to [aid.dp@arkansas.gov](mailto:aid.dp@arkansas.gov) and [aid.pec@arkansas.gov](mailto:aid.pec@arkansas.gov) no later than thirty (30) calendar days following Contract Award. Vendor should not include this with their bid response.

- C. The vendor **shall** have a software maintenance application capable of logging trouble calls including, at a minimum, the following information:

1. The date
2. Time of call
3. Apparent nature of trouble
4. Arrival time of maintenance personnel (if applicable)
5. Time trouble is cleared
6. Cause of trouble

- D. Technical support personnel **must**:

1. Be knowledgeable and technically trained to answer/resolve technical support problems
2. Be familiar with AID networks. (Within sixty (60) calendar days after Contract Award, AID will provide the vendor a high level technical architecture drawing and arrange a one hour meeting or telephone conference to review the AID Network with the vendor).
3. Have advanced technical expertise available
4. Maintain and own trouble tickets reported by AID or AID authorized customer until those troubles are resolved

- a. Trouble tickets must be reported by email to [aid.dp@arkansas.gov](mailto:aid.dp@arkansas.gov) and [aid.pec@arkansas.gov](mailto:aid.pec@arkansas.gov) when the issue is opened, updated and resolved.

## **2.7 SUPPORT SERVICES**

### **A. Support Activities**

Vendor **shall** provide support activities for the following tasks:

1. Prioritization and management of help requests
2. Resolving defects in configurations and site modules
3. On call production support
4. Configuration assistance
5. Service pack analysis and installation
6. Upgrade analysis and installation
7. Performance training
8. Database maintenance, analysis and review
9. Supplemental User training

### **B. Additional Support**

Vendor **shall** provide additional support as needed to address any legislative changes, i.e. changes in federal or state law that impact claims administration or other relevant AID processes.

### **C. Vendor Response to Defect Repairs, Software Change Requests, and Trouble Tickets**

1. Vendor **shall** resolve all support service requests in accordance with the response times listed below.
2. Defect repair and system change requests **shall** be categorized by AID, as one of the following:
  - a. High – The software system is not performing in accordance with the manufactures specifications and production or mission critical business operations are being impacted. No work around is available.
  - b. Medium – The software system is not performing in accordance with manufacturer's specifications, but most business operations can be performed. A known workaround is available. AID is able to implement the work around without severe interruptions of the production or business process.
  - c. Low – AID requires information or assistance on the software system capabilities, installation and configuration or would like to request an enhancement. This includes cosmetic and documentation issues that have little or no impact on production processes and productivity.
  - d. Normal – Routine day to day inquires.
3. Response Times  
Figure A below specifies the level of response that **shall** be given to AID at each step of the process based on the priority. The table specifies the maximum amount of time to complete each step.

FIGURE A: TROUBLE PRIORITY METRICS AND RESPONSE TIME

PRIORITY	RESPONSE TIME
High	One (1) hour response time required
Medium	Four (4) hour response time required
Low	Sixteen (16) hour response time required
Normal	Eight (8) hour response time required

- D. Vendor **must** maintain an inventory of records of the services provided site information that includes, at a minimum, the following:
- a. Agency Name
  - b. Agency Address
  - c. Site Contact Information
- E. Vendor **must** have an established escalation procedure for all proposed services which **must** be available twenty-four (24) hours per day, seven (7) days per week for all critical or emergency situations or outages.
1. Vendor **must** provide its escalation procedure with contact information (i.e. names, titles, phone numbers) in writing to AID ([aid.dp@arkansas.gov](mailto:aid.dp@arkansas.gov) and [aid.pec@arkansas.gov](mailto:aid.pec@arkansas.gov)) no later than thirty (30) calendar days following Contract Award.
  2. Vendor **must** provide any subsequent updates or changes to its escalation procedure in writing to AID within five (5) business days of said changes or update.
- F. Vendor **shall** be responsive and timely to maintenance/technical support calls/inquiries made by AID.
- G. Response times may be met via remote maintenance procedures, but AID has the right to require an on-site response.
- H. The vendor **shall** make any necessary repairs and provide a monthly Diagnostic Report in “.xls” format, prior to the monthly vendor meeting, via email [aid.dp@arkansas.gov](mailto:aid.dp@arkansas.gov) and [aid.pec@arkansas.gov](mailto:aid.pec@arkansas.gov), or upon request from AID of the diagnostic findings, including at a minimum:
- a. Trouble ID
  - b. Trouble description
  - c. Time and date the trouble is reported
  - d. Time and date the trouble is resolved
  - e. Trouble resolution
  - f. Trouble Priority
- I. Vendor **shall** monitor all batch processes for job failures, cancellations, and abnormal job behaviors, such as jobs that significantly exceed prior duration, lack of server activity, a stuck job stream, query that “hangs” the System, or premature completion of a job stream. The vendor **shall** make any necessary repairs and provide a monthly Batch Processing Report Prior to the monthly vendor meeting.

- J. The vendor **must** immediately notify the designated AID contact via e-mail to [aid.dp@arkansas.gov](mailto:aid.dp@arkansas.gov) and [aid.pec@arkansas.gov](mailto:aid.pec@arkansas.gov) or phone call as instructed by AID of system failures detected by the vendor.
- K. Trouble notifications and response procedures, including time, place, and frequency of vendor acknowledgement of AID supplied trouble tickets, **shall** be negotiated with AID upon award.

## **2.8 CUSTOMIZATION**

- A. At a minimum, if AID requires it, the vendor **shall** provide the support necessary to implement the optional capabilities described in Section 2.3 G of this RFP, regarding the ISO claim interface and the MMSEA reporting tool.
- B. From time to time, during the term of this contract and any renewals, AID may require additional customization projects from Vendor, and Vendor **shall** respond to such requests in a timely manner as described in Section 2.7 Support Services and within the response time frames described in Section 2.7 depending upon the priority assigned to the project by AID.

## **2.9 DATA CONVERSION AND IMPORT**

- A. Vendor **shall** be responsible for the migration of AID's legacy data into the Vendor's Software System. Data conversion is an important part of this project. See Exhibit D for details on the size of existing data.
- B. Vendor **shall** be responsible for conducting data profiling, cleansing and migration as part of this project.
- C. Vendor **shall** be responsible for the data services to cleanse and prepare the data from the source (legacy) system. Vendor **shall** develop a data conversion strategy and plan and manage the data conversion activities. Vendor **shall** also be responsible for analyzing the legacy data to develop data maps for the new Software System and for migrating the legacy data and testing the converted data.

## **2.10 GENERAL REQUIREMENTS**

### **A. ACCESS TO CONTRACTOR'S RECORDS**

In accordance with State statutes governing audits, the contractor **shall** allow access to any records, including correspondence regarding a resulting contract as may be required by the Arkansas Division of Legislative Audit. This access **shall** be granted by the vendor, upon the request, of the Arkansas Division of Legislative Audit, or of any other entity authorized by PECD to conduct audits. See also Section 4.5 Record Retention.

### **B. PROJECT MANAGEMENT AND PROJECT REFERENCES**

- 1. The vendor **must** provide a list of key project staff including the project manager and names and positions of staff providing executive oversight.
- 2. The vendor **must** provide a resume for all key personnel on the team. Resumes of key personnel should include: General qualifications, Education, Licenses, Certifications
- 3. The vendor **must** provide three (3) references with specific contact information and a brief synopsis of the engagement and how it is similar to this project.

### **C. DATA BREACH**

- 1. In the event of a data breach which is due to a failure of the vendor's software or actions of its employees and not the fault of actions of AID employees, the Vendor **shall** bear at a minimum the cost of notification for all persons whose confidential information has been released.
- 2. In that circumstance, the vendor **shall** also bear the cost of purchasing one year of credit monitoring for each individual whose confidential information has been released
- 3. In that circumstance, the vendor **shall** indemnify the State for any damages awarded to individuals whose confidential information has been released.

**2.11 PERFORMANCE STANDARDS**

- A. State law requires that all contracts for services include Performance Standards for measuring the overall quality of the services provided. Table A: *Performance Standards* identifies expected deliverables, performance measures, or outcomes; and defines the acceptable standards a vendor **must** meet in order to avoid assessment of damages.
- B. The State may be open to negotiation of Performance Standards prior to contract award, prior to the commencement of services, or at any time throughout the contract duration.
- C. The State **shall** have the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards, and may include the input of the vendor so as to establish standards that are reasonably achievable.
- D. All changes made to the Performance Standards **shall** become an official part of the contract.
- E. Performance Standards **shall** continue throughout the term of the contract.
- F. Failure to meet the minimum Performance Standards as specified **shall** result in the assessment of damages.
- G. In the event a Performance Standard is not met, the vendor will have the opportunity to defend or respond to the insufficiency. The State **shall** have the right to waive damages, if it determines there were extenuating factors beyond the control of the vendor that hindered the performance of services. In these instances, the State **shall** have final determination of the performance acceptability.
- H. Should any compensation be owed to the agency due to the assessment of damages, the vendor **shall** follow the direction of the agency regarding the required compensation process.

**TABLE A: PERFORMANCE STANDARDS**

Service Criteria	Acceptable Performance	Damages
Implementation Milestones	The Milestones described in the Implementation Timetable are completed no more than five (5) business days after the Milestone Date specified in the agreed upon project plan.	\$50 per day until Milestone accomplished
System Response Time to Trouble Tickets	Vendor meets or exceeds agreed upon response times. Vendor will facilitate a monthly test with identified AID IS representatives.	1% of monthly total cost for trouble tickets exceeding allotted response time
Workers' Compensation Commission Forms to be updated in the software	Completed within thirty (30) days of notice from AID.	\$50 per day for every day past thirty (30) days.
Maximum Benefit Calculations	Update complete by January 1 <sup>st</sup> of each year	\$50 per day for every day past January 1.
System Performance	90% or more of User response time <b>shall</b> be under four (4) seconds as indicated in Section 2.3 E	<ul style="list-style-type: none"> <li>• 85% to 90% - 1% of Monthly Total Cost</li> <li>• 80% to 84.9% - 2% of Monthly Total Cost</li> <li>• 75% to 79.9% - 3% of Monthly Total Cost</li> </ul> Below 75% may be grounds for contract termination
Software Availability	The software <b>must</b> maintain an uptime (be operationally available) for 99% of normal business hours. (If the software is unavailable due to issues with AID hardware or systems, this downtime will not impact Vendor's performance)	<ul style="list-style-type: none"> <li>• 98% - 1% of Monthly Total Cost</li> <li>• 97% - 2% of Monthly Total Cost</li> <li>• 96% - 3% of Monthly Total Cost</li> </ul> An additional 1% per month per percentage below. Below 75% may be grounds for contract termination
Diagnostic Report	The vendor <b>must</b> provide a monthly trouble ticket report as indicated in Section 2.7 H	\$50 per day past the 10 <sup>th</sup> of each month.

## SECTION 3 – CRITERIA FOR SELECTION

Do not provide responses to items in this section.

### 3.1 TECHNICAL PROPOSAL SCORE

- A. OSP will review each *Technical Proposal Packet* to verify submission Requirements have been met. *Technical Proposals Packets* that do not meet submission Requirements **shall** be disqualified and **shall not** be evaluated.
- B. An agency-appointed Evaluation Committee will evaluate and score qualifying Technical Proposals. Evaluation will be based on vendor’s response to the *Information for Evaluation* section included in the *Technical Proposal Packet*. Other agencies, consultants, and experts may also examine documents at the discretion of the Agency.
- C. The *Information for Evaluation* section has been divided into sub-sections.
  - 1. In each sub-section, items/questions have each been assigned a maximum point value of ten (10) points. The total point value for each sub-section is reflected in the table below as the Maximum Raw Score Possible.
  - 2. The agency has assigned Weighted Percentages to each sub-section according to its significance.

Information for Evaluation Sub-Sections	Maximum Raw Points Possible	Sub-Section’s Weighted Percentage	* Maximum Weighted Score Possible
E.1 <b>General</b>	120.00	7%	38.50
E.2 <b>Functional Requirements</b>	110.00	50%	275.00
E.3 <b>Privacy/Security</b>	20.00	10%	55.00
E.4 <b>Standards</b>	20.00	6%	33.00
E.5 <b>Maintainability</b>	20.00	6%	33.00
E.6 <b>Performance Reliability and Availability</b>	50.00	6%	33.00
E.7 <b>Personnel</b>	90.00	5%	27.50
E.8 <b>Implementation Timeframes</b>	40.00	10%	55.00
<b>Totals</b>	<b>470</b>	<b>100.0%</b>	<b>550</b>

\*Sub-Section’s Percentage Weight x Total Weighted Score = Maximum Weighted Score Possible for the sub-section.

- D. The vendor’s weighted score for each sub-section will be determined using the following formula:

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

- A = Actual Raw Points received for sub-section in evaluation
- B = Maximum Raw Points possible for sub-section
- C = Maximum Weighted Score possible for sub-section
- D = Weighted Score received for sub-section

- E. Vendor’s weighted scores for sub-sections will be added to determine the Total Technical Score for the Proposal.
- F. Five (5) vendors receiving the highest scores in the Technical Proposal portion of the solicitation process will be selected to provide an oral presentation/demonstration. Eligible vendors **must** provide an oral presentation/demonstration to move forward in the solicitation process. Pricing will remain sealed and **must not** be scored until all oral presentations/demonstrations are complete.

**3.2 COST SCORE**

- A. When pricing is opened for scoring, the maximum amount of cost points will be given to the vendor with the lowest three year grand total as shown in Table One (1) on the Official Bid Price Sheet. (See *Grand Total Score* for maximum points possible for cost score.)
- B. The amount of cost points given 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 = Total Cost Points Received

**3.3 GRAND TOTAL SCORE**

The Technical Score, Oral Presentation/Demonstration Score, and Cost Score will be added together to determine the Grand Total Score for the vendor. The vendor with the highest Grand Total Score will be selected as the apparent successful vendor. (See *Award Process*.)

	Maximum Points Possible
Technical Proposal	550
Oral Presentation/Demonstration	150
Cost	300
<b>Maximum Possible Grand Total Score</b>	<b>1,000</b>

**3.4 VENDOR ACCEPTANCE OF EVALUATION TECHNIQUE**

- A. Vendor **must** agree to all evaluation processes and procedures as defined in this solicitation.
- B. The submission of a *Technical Proposal Packet* **shall** signify the vendor’s understanding and agreement that subjective judgments **shall** be made during the evaluation and scoring of the Technical Proposals.

## **SECTION 4 – GENERAL CONTRACTUAL REQUIREMENTS**

**Do not provide responses to items in this section.**

### **4.1 PAYMENT AND INVOICE PROVISIONS**

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

Public Employees Claims Division / Arkansas Insurance Department  
Attn: WCC Program Manager  
1200 W 3<sup>rd</sup> St  
Little Rock, AR 72201

- B. Payment will be made in accordance with applicable State of Arkansas accounting procedures upon acceptance of goods and services by the agency.
- C. The State **shall not** be invoiced in advance of delivery and acceptance of any goods or services.
- D. Progress payments will be made upon completion of Milestones and may be negotiated between AID and the awarded vendor during the Project Plan Milestone and the Project Kick Off Milestone.
- E. Payment will be made only after the vendor has successfully satisfied the agency as to the reliability and effectiveness of the goods or services purchased as a whole.
- F. The vendor should invoice the agency by an itemized list of charges. The agency's Purchase Order Number and/or the Contract Number should be referenced on each invoice.
- G. Other sections of this *Bid Solicitation* may contain additional Requirements for invoicing.
- H. Selected vendor **must** be registered to receive payment and future *Bid Solicitation* notifications. Vendors may register on-line at <https://www.ark.org/vendor/index.html>.

### **4.2 GENERAL INFORMATION**

- A. The State **shall not** lease any equipment or software for a period of time which continues past the end of a fiscal year unless the contract allows for cancellation by the State Procurement Official upon a 30 day written notice to the vendor/lessor in the event funds are not appropriated.
- B. The State **shall not** contract with another party to indemnify and defend that party for any liability and damages.
- C. The State **shall not** pay damages, legal expenses or other costs and expenses of any other party.
- D. The State **shall not** continue a contract once any equipment has been repossessed.
- E. Any litigation involving the State **must** take place in Pulaski County, Arkansas.
- F. The State **shall not** agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.
- G. The State **shall not** enter a contract which grants to another party any remedies other than the following:
- The right to possession.
  - The right to accrued payments.
  - The right to expenses of deinstallation.
  - The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded.
  - The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.

- H. The laws of the State of Arkansas **shall** govern this contract.
- I. A contract **shall not** be effective prior to award being made by a State Procurement Official.
- J. In a contract with another party, the State will 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.

#### 4.3 **CONDITIONS OF CONTRACT**

- A. The vendor **shall** at all times observe and comply with federal and State of Arkansas laws, local laws, ordinances, orders, and regulations existing at the time of, or enacted subsequent to the execution of a resulting 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.

#### 4.4 **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. The State **shall** not at any time 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 \$2,000,000, 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. The vendor and the State **shall not** 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. Language in these terms and conditions **shall not** 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.

#### 4.5 **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.
- C. Other sections of this *Bid Solicitation* may contain additional Requirements regarding record retention.

#### 4.6 **CONFIDENTIALITY**

- A. The vendor, vendor's subsidiaries, and vendor's employees **shall** be bound to all laws and to all Requirements set forth in this *Bid Solicitation* concerning the confidentiality and secure handling of information of which they may become aware of during the course of providing services under a resulting contract.
- B. Consistent and/or uncorrected breaches of confidentiality may constitute grounds for cancellation of a resulting contract, and the State **shall** have the right to cancel the contract on these grounds.
- C. Previous sections of this *Bid Solicitation* may contain additional confidentiality Requirements.

#### 4.7 **CONFIDENTIALITY OF CLAIMANT INFORMATION**

- A. All information as to personal facts and circumstances concerning workers' compensation claimants obtained by the contractor and placed in the contractor's software **shall**:
  1. Be treated as privileged communications
  2. Be held confidential
  3. **NOT** be divulged without the written consent of the State, provided that nothing herein **shall** prohibit the disclosure of information in summary, statistical, or other form which does not identify particular individuals.
- B. The use or disclosure of information concerning recipients will be limited to activities directly connected with the administration of the contract.
- C. Confidential information includes:
  - claimant's personal address
  - social security number
  - date of birth
  - personnel record information
  - any information regarding any medical conditions or medical treatment the claimant has received

#### 4.8 **CONTRACT INTERPRETATION**

Should the State and vendor interpret specifications differently, either party may request clarification. However, if an agreement cannot be reached, the determination of the State **shall** be final and controlling.

#### 4.9 **CANCELLATION**

- A. 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 **shall** give the vendor written notice of cancellation, specifying the terms and the effective date of contract termination. The effective date of termination **shall** be 30 days from the date of notification, unless a longer timeframe is specified in the notification.
- B. Upon default of a vendor, the State **shall** agree to pay only sums due for goods and services received and accepted up to cancellation of the contract.

#### 4.10 **SEVERABILITY**

If any provision of the contract, including items incorporated by reference, is declared or found to be illegal, unenforceable, or void, then both the agency and the vendor **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 – STANDARD TERMS AND CONDITIONS**

Do not provide responses to items in this section.

1. **GENERAL:** Any special terms and conditions included in this solicitation **shall** override these Standard Terms and Conditions. The Standard Terms and Conditions and any special terms and conditions **shall** 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 **shall** have 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:** Original Proposal Packets **must** be submitted to the Office of State Procurement on or before the date and time specified for bid opening. The Proposal Packet **must** contain all documents, information, and attachments as specifically and expressly required in the *Bid Solicitation*. The bid **must** be typed or printed in ink. The signature **must** be in ink. Unsigned bids **shall** be disqualified. The person signing the bid should show title or authority to bind his firm in a contract. Multiple proposals **must** be placed in separate packages and should be completely and properly identified. Late bids **shall 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 **shall** be firm and **shall not** be subject to escalation unless otherwise specified in the *Bid Solicitation*. 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 Solicitation*.
5. **QUANTITIES:** Quantities stated in a *Bid Solicitation* for term contracts are estimates only, and are not guaranteed. Vendor **must** 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:** Unless otherwise specified in the *Bid Solicitation*, any catalog brand name or manufacturer reference used in the *Bid Solicitation* 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 **shall** have 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 **shall** guarantee that the product offered will meet or exceed specifications identified in this *Bid Solicitation*. Vendors not bidding an alternate to the referenced brand name or manufacturer **shall** be required to furnish the product according to brand names, numbers, etc., as specified in the solicitation.
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 Solicitation*. The vendor hereby guarantees that everything furnished hereunder **shall** be free from defects in design, workmanship and material, that if sold by drawing, sample or specification, it **shall** conform thereto and **shall** serve the function for which it was furnished. The vendor **shall** further guarantee that if the items furnished hereunder are to be installed by the vendor, such items **shall** function properly when installed. The vendor **shall** guarantee 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 or contract number and item number. If requested, samples that are not destroyed during reasonable examination will be returned at vendor's expense. After reasonable examination, all demonstrators will be returned at vendor's expense.
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:** Vendor's proposals 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. **DELIVERY ON FIRM CONTRACTS:** This solicitation shows 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 **shall** have the right to extend delivery if reasons appear valid. If the date is not acceptable, the agency may buy elsewhere and any additional cost **shall** be borne by the vendor.
14. **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. Central Time, unless prior approval for other delivery has been obtained from the agency. Packing memoranda **shall** be enclosed with each shipment.
15. **STORAGE:** The ordering agency is responsible for storage if the contractor delivers within the time required and the agency cannot accept delivery.
16. **DEFAULT:** All commodities furnished **shall** be subject to inspection and acceptance of the ordering agency after delivery. Back orders, default in promised delivery, or failure to meet specifications **shall** 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.

17. **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.
18. **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 *Bid Solicitation*, (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.
19. **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, **shall** be kept confidential, **shall** be used only as expressly authorized, and **shall** be returned at the contractor's expense to the F.O.B. point provided by the agency or by OSP. Vendor **shall** properly identify items being returned.
20. **PATENTS OR COPYRIGHTS:** The contractor **shall** indemnify and hold the State harmless from all claims, damages and costs including attorneys' fees, arising from infringement of patents or copyrights.
21. **ASSIGNMENT:** Any contract entered into pursuant to this solicitation **shall not** be assignable nor the duties thereunder delegable by either party without the written consent of the other party of the contract.
22. **CLAIMS:** Any claims the Contractor may assert under this Agreement **shall** be brought before the Arkansas State Claims Commission ("Commission"), which **shall** have exclusive jurisdiction over any and all claims that the Contractor may have arising from or in connection with this Agreement. Unless the Contractor's obligations to perform are terminated by the State, the Contractor **shall** continue to provide the Services under this Agreement even in the event that the Contractor has a claim pending before the Commission.
23. **CANCELLATION:** In the event the State no longer needs the commodities or services specified for any reason, (e.g., program changes; changes in laws, rules or regulations; relocation of offices; lack of appropriated funding, etc.), the State **shall** have the right to cancel the contract or purchase order by giving the vendor written notice of such cancellation thirty (30) days prior to the date of cancellation.  
  
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 under the laws and regulations governing the filing of such claims. If upon cancellation the contractor has provided services which the State has accepted, the contractor may file a claim. **NOTHING IN THIS CONTRACT SHALL BE DEEMED A WAIVER OF THE STATE'S RIGHT TO SOVEREIGN IMMUNITY.**
24. **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 **shall 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 **shall** state that all qualified applicants **shall** 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 **shall** include the provisions of above items (a) through (d) in every subcontract so that such provisions **shall** be binding upon such subcontractor or vendor.
25. **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.
26. **ANTITRUST ASSIGNMENT:** As part of the consideration for entering into any contract pursuant to this solicitation, the vendor named on the *Proposal Signature Page* for 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.
27. **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.