



STATE OF ARKANSAS

OFFICE OF STATE PROCUREMENT

1509 West 7th Street, Room 300

Little Rock, Arkansas 72201-4222

INVITATION FOR BID BID SOLICITATION DOCUMENT

SOLICITATION INFORMATION			
Bid Number:	SP-19-0036	Solicitation Issued:	April 5, 2019
Description:	Dental & Vision Insurance Administration		
Agency:	Arkansas State Police		

SUBMISSION DEADLINE FOR RESPONSE			
Bid Opening Date:	April 25, 2019	Bid Opening Time:	2:00 p.m., Central Time
<p>Deliver bid submissions for this Invitation For Bid to the Office of State Procurement on or before the designated bid opening date and time. In accordance with Arkansas Procurement Law and Rules, it is the responsibility of Prospective Contractors to submit bids at the designated location on or before the bid opening date and time. Bids received after the designated bid opening date and time may be considered late and may be returned to the Prospective Contractor without further review. It is not necessary to return "no bids" to OSP.</p>			

DELIVERY OF RESPONSE DOCUMENTS	
Delivery Address:	<p>Office of State Procurement 1509 West 7th Street, Room 300 Little Rock, AR 72201-4222</p> <p>Delivery contractors, USPS, UPS, and FedEx deliver mail to OSP's street address on a schedule determined by each individual contractor. These contractors will deliver to OSP based solely on the street address. Prospective Contractors assume all risk for timely, properly submitted deliveries.</p>
Bid's Outer Packaging:	<p>Seal outer packaging and properly mark with the following information. If outer packaging of bid submission is not properly marked, the package may be opened for bid identification purposes.</p> <ul style="list-style-type: none">• Bid number• Date and time of bid opening• Prospective Contractor's name and return address

OFFICE OF STATE PROCUREMENT CONTACT INFORMATION			
OSP Buyer:	Heather Bailey	Buyer's Direct Phone Number:	501-324-9320
Email Address:	Heather.Bailey@dfa.arkansas.gov	OSP's Main Number:	501-324-9316
OSP Website:	http://www.dfa.arkansas.gov/offices/procurement/Pages/default.aspx		

SECTION 1 - GENERAL INSTRUCTIONS AND INFORMATION

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

1.1 PURPOSE

This Invitation for Bid (IFB) is issued by the Office of State Procurement (OSP) for Arkansas State Police (ASP) to obtain pricing and a contract for the administration and management of a Dental and Vision Plan (Plan) and network of participating Providers and facilities. Bids **must** cover a group consisting of active, COBRA, and retired State Police uniformed employees, their spouses, and qualified dependents totaling approximately 730 covered lives.

1.2 TYPE OF CONTRACT

- A. As a result of this IFB, OSP intends to award a contract to a single Contractor.
- B. The anticipated starting date for any resulting contract is June 10, 2019 except that the actual contract start date may be adjusted forward unilaterally by the State for up to three calendar months. By submitting a signed bid in response to the IFB, the Prospective Contractor represents and warrants that it will honor its bid as being held open as irrevocable for this period.
- C. The initial term of a resulting contract will be for one (1) year. Upon mutual agreement by the Contractor and agency, the contract may be renewed by OSP for up to six (6) additional one-year terms or portions thereof, not to exceed a total aggregate contract term of seven (7) consecutive years.

1.3 ISSUING AGENCY

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

1.4 BID OPENING LOCATION

Bids will be opened at the following location:

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

1.5 ACCEPTANCE OF REQUIREMENTS

- A. A Prospective Contractor **must** unconditionally accept all Requirements in the Requirements Section(s) of this IFB to be considered a responsive Prospective Contractor.
- B. A Prospective Contractor's bid will be rejected if a Prospective Contractor takes exceptions to any Requirements in the Requirements Section(s) of this IFB.

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. Unless otherwise defined herein, all terms defined in Arkansas Procurement Law and used herein have the same definitions herein as specified therein.
- C. "Prospective Contractor" means a person who submits a bid in response to this solicitation.
- D. "Contractor" means a person who sells or contracts to sell commodities and/or services.
- E. "Provider" means a person or company who is authorized to provide health care services to an individual.
- F. "Benefit period" means the length of time during which a policyholder or their dependents may file and receive payment for a covered medical issue.

- G. The terms "Invitation For Bid", "IFB," "Bid Solicitation," and "Solicitation" are used synonymously in this document.
- H. "Responsive bid" means a bid submitted in response to this solicitation that conforms in all material respects to this IFB.
- I. "Bid Submission Requirement" means a task a Prospective Contractor **must** complete when submitting a bid response. These requirements will be distinguished by using the term "**shall**" or "**must**" in the requirement.
- J. "Requirement" means a specification that a Contractor's product and/or service **must** perform during the term of the contract. These specifications will be distinguished by using the term "shall" or "must" in the requirement.
- K. "State" means the State of Arkansas. When the term "State" is used herein to reference any obligation of the State under a contract that results from this solicitation, that obligation is limited to the State agency using such a contract.

1.7 **RESPONSE DOCUMENTS**

A. *Bid Response Packet*

1. The following are Bid Submission Requirements and **must** be submitted in the original Bid Response *Packet*.
 - a. Original signed *Bid Signature Page*. (See *Bid Response Packet*.)
 - i. An official authorized to bind the Prospective Contractor(s) to a resultant contract **must** sign the Bid Signature Page included in the *Bid Response Packet*.
 - ii. Prospective Contractor's signature signifies agreement to and compliance with all Requirements in this IFB, and that any exception that conflicts with a Requirement or Bid Submission Requirement of this *Bid Solicitation* will cause the Prospective Contractor's bid to be rejected.
 - iii. Bid response **must** be in the English language.
 - b. One (1) original hard copy of the *Official Bid Price Sheet*. Pricing **must** be proposed in U.S. dollars and cents.
2. The following items should be submitted in the original *Bid Response Packet* as a hard copy and as an electronic copy, preferably on a flash drive and in PDF format.
 - a. One (1) copy of the *Official Bid Price Sheet*,
 - b. EO 98-04 Disclosure Form. (See *Standard Terms and Conditions*, #27. *Disclosure*.)
 - c. Copy of Prospective Contractor's *Equal Opportunity Policy*. (See *Equal Opportunity Policy*.)
 - d. *Voluntary Product Accessibility Template* (VPAT). (See *Technology Access*.)
 - e. Proposed Subcontractors Form. (See Subcontractors.)
3. **DO NOT** include any other documents or ancillary information, such as a cover letter or promotional/marketing information.

1.8 **CLARIFICATION OF BID SOLICITATION**

- A. Submit any questions requesting clarification of information contained in this *Bid Solicitation* in writing via email by 2:00 p.m., Central Time on or before April 12, 2019 to the OSP buyer as shown on page one (1) of this *Bid Solicitation*.

1. For each question submitted, Prospective Contractor should reference the specific solicitation item number to which the question refers.
 2. Prospective Contractors' 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 April 17, 2019. If Prospective Contractor questions are unclear or non-substantive in nature, the State may request clarification of a question(s) or reserves the right not to respond to that question(s).
- B. The Prospective Contractor should notify the OSP buyer of any term, condition, etc., that precludes the Prospective Contractor from submitting a compliant, responsive proposal. Prospective Contractors should note that it is the responsibility of the Prospective Contractor to seek resolution of all such issues, including those relating to the terms and conditions of the contract, prior to the submission of a bid.
 - C. Prospective Contractors may contact the OSP buyer with non-substantive questions at any time prior to the bid opening.
 - D. An oral statement by OSP will not be part of any contract resulting from this solicitation and may not reasonably be relied on by any Prospective Contractor as an aid to interpretation unless it is reduced to writing and expressly adopted by OSP.
 - E. Prospective Contractors entering into a contract with the State **shall** comply with all the terms and conditions contained herein.

1.9 **SUBCONTRACTORS**

- A. Prospective Contractor should complete, sign and submit the *Proposed Subcontractors Form* included in the *Bid Response Packet*.
- B. **Do not** attach any additional information to the *Proposed Subcontractors Form*.
- C. The utilization of any proposed subcontractor is subject to approval by the State agency.

1.10 **PRICING**

- A. Prospective Contractor(s) **shall** include all pricing on the Official Bid Price Sheets only. If any cost is not identified by the successful Contractor but is subsequently incurred in order to achieve successful operation, the Contractor **shall** bear this additional cost. The *Official Bid Price Sheets* are provided as a separate electronic file posted with this *Bid Solicitation*.

1. The *Official Bid Price Sheets* consist of three tabs.

a. **Tab A: Administrative and PPO Network Fees and Implementation Cost**

- i. This tab will be included in the cost evaluation based on the lowest monthly administrative and preferred provider organization (PPO) Network fees.
- ii. For this tab, enter the rate for each service item in the highlighted fields, including Implementation Cost.

b. **Tab B: Optional Services**

- i. This tab will not be included in the cost evaluation. ASP will consider any optional services listed on the price sheet and will have the option to implement and/or discontinue these services at their discretion at any time during the contract duration. ASP is under no obligation to purchase any of the optional services listed on the price sheet. The Contractor **shall** provide these services should ASP choose to implement one, any or all, within thirty (30) days of notice from ASP.
- ii. Enter any optional services available (beyond the required services), and enter the rate for each service in the appropriate field. Should any additional information be necessary to explain the optional services, provide this in a separate document enclosed with the Table B bid submission.

c. Tab C: Network and PPO

- i. This tab will not be included in the cost evaluation. It is for informational purposes only. Provide answers as an attachment to the *Official Bid Price Sheet*.
- ii. Contractor **shall** provide responses to questions numbered 1 through 4. For question 1, provide data in a table format and report by provider type across each county in Arkansas. Tab C is for informational purposes only and will not be used to determine the successful Contractor.

d. Additional Information

- i. Enter "No Cost" for any item at no cost to ASP. Do not leave blank.
- ii. Low cost determination will be based on the Total Estimated Cost of the First Year of Contract as submitted in Table A of the *Official Bid Price Sheet*.
- iii. The State will not be obligated to pay any costs not identified in the *Official Bid Price Sheet*.
- iv. Any cost not identified by the Contractor but subsequently incurred in order to achieve the required services **shall** be borne by the Contractor.

B. To allow time to review bids, prices **must** be valid for 180 days following the bid opening.

C. DO NOT submit any ancillary information not related to actual pricing on or with the Bid Price Sheet.

1.11 PRIME CONTRACTOR RESPONSIBILITY

- A. A single Prospective Contractor **must** be identified as the prime Contractor.
- B. The prime Contractor **shall** be responsible for the contract and jointly and severally liable with any of its subcontractors, affiliates, or agents to the State for the performance thereof.

1.12 INDEPENDENT PRICE DETERMINATION

- A. By submission of this bid, the Prospective Contractor certifies, and in the case of a joint response, each party thereto certifies as to its own organization, that in connection with this bid:
 - 1. The prices in the bid 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 warrants consideration of this bid by the Office of the Attorney General. All Prospective Contractors **shall** understand that this paragraph may be used as a basis for litigation.

1.13 PROPRIETARY INFORMATION

- A. Submission documents pertaining to this *Bid Solicitation* become the property of the State and are subject to the Arkansas Freedom of Information Act (FOIA).
- B. In accordance with FOIA and to promote maximum competition in the State competitive bidding process, the State may maintain the confidentiality of certain types of information described in FOIA. Such information may include trade secrets defined by FOIA and other information exempted from the Public Records Act pursuant to FOIA.
- C. Prospective Contractor may designate appropriate portions of its response as confidential, consistent with and to the extent permitted under the Statutes and Rules set forth above, by submitting a redacted copy of the response.
- D. By so redacting any information contained in the response, the Prospective Contractor warrants that it has formed a good faith opinion having received such necessary or proper review by counsel and other knowledgeable advisors that the portions redacted meet the requirements of the Rules and Statutes set forth above.

- E. Under no circumstances will pricing information be designated as confidential.
- F. 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 *Bid Response Packet*. Do not submit documents via email or fax.
- G. 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.
- H. The Prospective Contractor is responsible for identifying all proprietary information and for ensuring the electronic copy is protected against restoration of redacted data.
- I. The redacted copy will be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the Prospective Contractor.
- J. If a redacted copy of the submission documents is not provided with Prospective Contractor's *Bid Response Packet*, a copy of the non-redacted documents, with the exception of financial data (other than pricing), will be released in response to any request made under the Arkansas Freedom of Information Act (FOIA).
- K. If the State deems redacted information to be subject to FOIA, the Prospective Contractor will be contacted prior to release of the documents.
- L. The State has no liability to a Prospective Contractor with respect to the disclosure of Prospective Contractor's confidential information ordered by a court of competent jurisdiction pursuant to FOIA or other applicable law.

1.14 CAUTION TO PROSPECTIVE CONTRACTORS

- A. Prior to any contract award, address all communication concerning this *Bid Solicitation* through the OSP buyer.
- B. Do not alter any language in any solicitation document provided by the State.
- C. Do not alter the Official Bid Price Sheet.
- D. All official documents and correspondence related to this solicitation become part of the resultant contract.
- E. The State has the right to award or not award a contract, if it is in the best interest of the State to do so.
- F. As requested, provide clarification regarding Prospective Contractor's bid response to OSP.
- G. Qualifications and proposed services **must** meet or exceed the required specifications as set forth in this *Bid Solicitation*.
- H. Prospective Contractors may submit multiple bids.

1.15 REQUIREMENT OF ADDENDUM

- A. Only an addendum written and authorized by OSP will modify this *Bid Solicitation*.
- B. An addendum posted within three (3) calendar days prior to the bid opening may extend the bid opening and may or may not include changes to the Bid Solicitation.
- C. The Prospective Contractor is expected to check the OSP website, <http://www.arkansas.gov/dfa/procurement/bids/index.php>, for any and all addenda up to bid opening.

1.16 AWARD PROCESS

A. Successful Contractor Selection

1. Award will be made to the lowest-bidding, responsible Prospective Contractor on an all or none basis.

B. Negotiations

1. If the State so chooses, negotiations may be conducted with the lowest-bidding Prospective Contractor. Negotiations are conducted at the sole discretion of the State.
2. If negotiations fail to result in a contract, the State may begin the negotiation process with the next lowest-bidding Prospective Contractor. The negotiation process may be repeated until the anticipated successful Contractor has been determined, or until such time the State decides not to move forward with an award.

C. Anticipation to Award

1. Once the anticipated successful Contractor has been determined, the anticipated award will be posted on the OSP website at 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. Prospective Contractors 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 may waive the policy of Anticipation to Award when it is in the best interest of the State.
4. It is the Prospective Contractor'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* is subject to State approval processes which may include Legislative review.
2. A State Procurement Official will be responsible for the solicitation and award of any resulting contract.

1.17 MINORITY AND WOMEN-OWNED BUSINESS POLICY

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

- African American
- American Indian
- Asian American
- Hispanic American
- Pacific Islander American
- A Service Disabled Veteran as designated by the United States Department of Veteran Affairs

- B. A women-owned business is defined by Act 1080 of the 91st General Assembly Regular Session 2017 as a business that is at least fifty-one percent (51%) owned by one (1) or more women who are lawful permanent residents of this State.

- C. The Arkansas Economic Development Commission conducts a certification process for minority-owned and women-owned businesses. If certified, the Prospective Contractor's Certification Number should be included on the *Bid Signature Page*.

1.18 EQUAL OPPORTUNITY POLICY

- A. In compliance with Arkansas Code Annotated § 19-11-104, OSP must have a copy of the anticipated Contractor's *Equal Opportunity (EO) Policy* prior to issuing a contract award.
- B. *EO Policies* should be included as a hardcopy accompanying the solicitation response.
- C. Contractors 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. Prospective Contractors who are not required by law to have an *EO Policy* **must** submit a written statement to that effect.

1.19 PROHIBITION OF EMPLOYMENT OF ILLEGAL IMMIGRANTS

- A. Pursuant to Arkansas Code Annotated § 19-11-105, Contractor(s) providing services **shall** certify with OSP that they do not employ or contract with illegal immigrants.
- B. By signing and submitting a response to this *Bid Solicitation*, a Prospective Contractor agrees and certifies that they do not employ or contract with illegal immigrants. If selected, the Prospective Contractor certifies that they will not employ or contract with illegal immigrants during the aggregate term of a contract.

1.20 RESTRICTION OF BOYCOTT OF ISRAEL

- A. Pursuant to Arkansas Code Annotated § 25-1-503, a public entity **shall not** enter into a contract with a company unless the contract includes a written certification that the person or company is not currently engaged in, and agrees for the duration of the contract not to engage in, a boycott of Israel.
- B. This prohibition does not apply to a company which offers to provide the goods or services for at least twenty percent (20%) less than the lowest certifying business.
- C. By checking the designated box on the Bid Signature Page of the response packet, a Prospective Contractor agrees and certifies that they do not, and will not for the duration of the contract, boycott Israel.

1.21 PAST PERFORMANCE

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

1.22 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 Prospective Contractor 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 Prospective Contractor 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.

1.23 COMPLIANCE WITH THE STATE SHARED TECHNICAL ARCHITECTURE PROGRAM

The Prospective Contractor's commodity or service **must** comply with the State's shared Technical Architecture Program which is a set of policies and standards that can be viewed at:

<https://www.dfa.arkansas.gov/intergovernmental-services/state-technology-cost-analysis/architecture-compliance/>.

Only those standards which are fully promulgated or have been approved by the Governor's Office apply to this solution.

1.24 VISA ACCEPTANCE

- A. Awarded Contractor 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) **must 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.

1.25 PUBLICITY

- A. Do not discuss the solicitation nor your bid response, nor issue statements or comments, nor provide interviews to any public media during the solicitation and award process.
- B. Failure to comply with this Requirement may be cause for a Prospective Contractor's bid to be rejected.

1.26 RESERVATION

The State will not pay costs incurred in the preparation of a bid.

SECTION 2 – REQUIREMENTS

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

2.1 INTRODUCTION

This Invitation for Bid (IFB) is issued by the Office of State Procurement (OSP) for Arkansas State Police (ASP) to obtain pricing and a contract for the administration and management of a Dental and Vision Plan (Plan) and network of participating Providers and facilities. The covered population will consist of active, COBRA, and retired State Police uniformed employees, their spouses, and qualified dependents totaling approximately 736 covered lives.

2.2 PROSPECTIVE CONTRACTOR QUALIFICATIONS

- A. Prospective Contractor **shall** be a plan Provider that is currently administering dental and vision benefits.
- B. Prospective Contractor **shall** have at least five (5) years of experience in group dental and vision insurance plans, preferably working with State or Federal governments, and in the development and implementation of a comprehensive statewide network, claims payments, and customer service.
- C. Prior to award, Prospective Contractor **shall** be licensed and legally authorized to conduct business in the state of Arkansas under the authority of, and in good standing with, the Arkansas Department of Insurance.

2.3 GENERAL REQUIREMENTS

- A. Contractor **shall** utilize a secure messaging and task service as defined by ASP for member specific and/or protected information shared with ASP.
- B. Contractor **shall** utilize a secure file transfer protocol as defined by ASP.
- C. Contractor **shall** acknowledge that ASP will not track, pay, or in any way manage any commission, referral fee, or the like for the administering of the insurance policy.
- D. Contractor **shall** acknowledge that ASP will not receive any implementation payment, selection bonus, referral fee or the like for the selection of the Contractor, and any such offer **must** be excluded from pricing consideration.
- E. Immediately upon award, Contractor **shall** provide a copy of emergency operations, disaster recovery, and business continuity plans, electronically to Major Charles Hubbard, Charles.Hubbard@asp.arkansas.gov.
- F. Contractor **shall** provide credentialed participating providers in Arkansas, pursuant to the Contractor's standard credentialing policy.
- G. Contractor **shall** provide transparent administration of the plan as mutually agreed upon by the Contractor and ASP, with final determination to be made by ASP. Contractor **shall** accept that the Arkansas State Police Commission and ASP's coverage policy decisions are final.
- H. Contractor **shall** take responsibility for converting any data (for example: address formatting) to meet ASP's system requirements with one hundred percent (100%) accuracy. Issues caused by this conversion **must** be reported to ASP within three (3) business days of the occurrence to be exempt from damages at ASP's discretion.
- I. Contractor **shall** agree that all data, records, files and other information relating to the plan belong to ASP and are subject to release to ASP, in the format and timeframe determined by ASP, if the contract is terminated.
- J. Contractor **shall** allow audits to be conducted by ASP or their designated auditor and/or State Legislative Audit and **shall** abide by the audit timeline specified by ASP.
- K. Contractor **shall** comply with HIPAA and other federal and/or State mandates to include privacy, security, HITECH, and electronic data transfer requirements as defined by ASP.
- L. Contractor **shall** work cooperatively with ASP's contracted Health Plan Consultant.

- M. Prior to contract award, Contractor **shall** execute the Business Associate Agreement as written. See Attachment A: Business Associate Agreement.
- N. Contractor **shall** maintain \$500,000 professional liability and comprehensive general liability insurance at its sole cost and expense. Contractor **shall** make these policies available to ASP for review, within three (3) business days of request.

2.4 **OVERALL DENTAL AND VISION POLICY REQUIREMENTS**

- A. A guarantee of approval of coverage **must** be issued to each member receiving dental insurance and vision insurance during annual open enrollment in the month of November.
- B. Contractor **shall** provide a network of providers throughout the state of Arkansas. Dental network **must** consist of at least 1,100 providers and vision network **must** consist of at least 750 providers. Failure to maintain a broad network, as determined by ASP, will require aggressive network expansion on behalf of the Contractor.
- C. Dental and vision benefits **must** be packaged together. Rates **must** be provided as a flat rate per tier of coverage for both dental and vision.
 - 1. Rating tiers **must** be structured as listed below:
 - a. Employee Only
 - b. Employee + Spouse
 - c. Employee + Child(ren)
 - d. Employee + Family
 - 2. For illustrative purposes only. Coverage levels per option do not necessarily reflect anticipated enrollment nor actual participation. Currently, ASP has the following:
 - a. Employee Only – 223 lives
 - b. Employee + Spouse – 201 lives
 - c. Employee + Child(ren) – 58 lives
 - d. Employee + Family – 254 lives
- D. Policy **must** cover dependent children through the end of child's 26th birth month.
- E. All premiums will be the responsibility of the employee and Contractor **shall** deduct from payroll after taxes for 26 deductions per calendar year.

2.5 **SPECIFIC DENTAL POLICY REQUIREMENTS**

- A. The dental policy **must** provide preventative and diagnostic care at no charge to the member when provided by in-network contractors, including but not limited to:
 - 1. Routine cleanings
 - 2. X-rays
 - 3. Exams
- B. Basic dental coverage **must** be paid at 70%, not subject to a deductible.
 - 1. Basic coverage **must** include preventative care and diagnostic care and not be limited to:

- a. Exams
- b. Cleanings every six (6) months
- c. X-rays once per year

C. Major dental coverage **must** be paid at 70%, not subject to a deductible.

- 1. Major coverage **must** include preventative care, diagnostic care and restorative care and not be limited to:

- a. Exams
- b. Root canals
- c. Fillings

D. Orthodontia coverage **must** be paid at 70%, not subject to a deductible. Member pays 30%.

- 1. Orthodontia coverage **must** include and not be limited to:

- a. Braces
- b. Retainers

E. Policy **must** offer Basic, Major, and Orthodontia dental services not subject to waiting periods or benefits exclusions.

F. Calendar year maximum benefit **must** be at least \$1,000 per member or \$2,000 per family. This benefit **must** be applicable to all in-network and out-of-network paid claims.

G. Contractor **shall** offer a policy that will include orthodontics. Orthodontia services **must** be available to covered members and spouses with no age limit and **must** be available to dependent children through age 26.

2.6 **SPECIFIC VISION POLICY REQUIREMENTS**

A. At a minimum, vision coverage **must** be provided as listed below on the Summary of Vision Benefits:

Vision Coverage: In-Network and Out-of-Network Services

<i>Summary of Vision Benefits</i>		
	In-network	Out-of-Network
Eye examination- (One exam every 12 months)	\$10 co-pay	\$35 co-pay
Prescription lenses- (Every 12 Months)		
Single vision lenses	\$10 co-pay then covered in full	\$25 co-pay
Lined bifocal vision lenses		\$40 co-pay
Lined trifocal vision lenses		\$50
Lenticular lenses		\$80
Progressive lenses	20% off retail plus \$50 allowance	\$40
Specialty lenses	20% off retail Plus corresponding standard lens payment	Corresponding lens reimbursement

Frames- (Every 12 Months)	\$50 wholesale (\$100 to \$150 retail)	\$45
Contacts (in lieu of glasses)		
Medically necessary (Prior authorization required)	covered in full	\$250 allowance
Elective- (Every 12 Months)	\$150 allowance	\$150 allowance
Laser Vision Correction	5% to 25% off on laser vision correction	
Additional Purchases	up to 20% off on all additional purchases or items not covered	

B. Limitations

1. Fees charged by a Provider for services other than a vision examination or covered vision materials **must** be paid in full by the Covered Employee/Family member to the Provider. Such fees or materials are not covered under this policy.
2. Benefit allowances will not provide remaining balance for future use within the same Benefit Period, with the exception for contact lenses.

C. Exclusions

1. Unless specific coverage is elected by the member and paid for by the member, this policy will not pay benefits for:
 - a. Benefits or services for injuries or conditions covered under:
 1. Worker's Compensation
 2. Employer's Liability laws
 - b. Benefits or services available from any:
 1. Federal or state government agency
 2. Municipality
 3. County
 4. Other political subdivision
 5. Community agency
 6. From any foundation or similar entity
 - c. Charges for services other than by a Provider.
 - d. Charges by a Provider for the completion of forms and/or submission of supportive documentation required for benefit determination.
 - e. Fees charged by a Provider for services other than covered in Summary of Vision Benefits herein.

- f. Benefits for services or materials started prior to the date the patient became eligible under this plan.
- g. Orthoptic or vision training, subnormal vision aids, and any associated supplemental testing; Aniseikonic lenses.
- h. Medical and/or surgical treatment of the eye, eyes, or supporting structures.
- i. Any vision examination or any corrective or safety eyewear required by an Employer as a condition of employment, unless specifically covered under the Policy.
- j. Plano (non-prescription) lenses.
- k. Non-prescription sunglasses.
- l. Two pair of glasses in lieu of bifocals.
- m. Lost or broken lenses, frames, glasses, or contact lenses will not be replaced except in the next benefit period when Vision materials would next be available.
- n. Charges for services when a claim is received for payment more than twelve (12) months after services are rendered.
- o. Specialized techniques that entail procedure and process over and above which is normally adequate.
- p. All other benefits and services not specifically covered in the Schedule of Benefits.

2.7 **MEMBER ELIGIBILITY AND ENROLLMENT**

- A. Contractor **shall** accept the membership eligibility structure as defined by ASP on designation of covered groups and any applicable coding used for member eligibility and enrollment. Among others, eligibility **must** include:
 - 1. Retired members and their spouse and dependents who elect to continue coverage. This includes retirees over the age of 65.
 - 2. Coverage for all eligible members, spouses, and their dependents who are currently enrolled in the ASP Plan without waiting periods, limitations, or pre-existing exclusions.
- B. Contractor **shall** abide by the ASP-defined eligibility periods for plan participants.
- C. Contractor **shall** allow ASP to submit and maintain enrollment data by utilizing a web-based file exchange method, internet, or other ASP-designated method for:
 - 1. New hires
 - 2. Reinstatements
 - 3. Terminations
 - 4. Leave of absences
 - 5. COBRA
- D. Contractor **shall** provide an eligibility reconciliation file to the ASP Benefits Manager, that provides basic demographic and plan selection information on a schedule determined by, and using a file layout provided by, ASP.

- E. Part-time employees are not eligible to participate in the Plan.
- F. Plan participants **must not** be considered a “closed” group. Retirees **shall** continue to be added if the retiree chooses.
- G. The Plan **must** have the same classes of employees.
- H. There **must not** be a waiting period for new hires. New hires **must** be eligible to be enrolled as of their date of hire.

2.8 **CLAIMS ADMINISTRATION**

- A. Contractor **shall** allow that ASP, as the plan administrator, maintains discretionary authority for the Plan and has the right to make the final determination on payment of claims.
- B. Contractor **shall** convert all paper claims received to an electronic record that **must** be transmitted in the same HIPAA-compliant electronic format as electronic claims. Paper claim images **must** be provided to ASP as requested.
- C. Contractor **shall** aggressively pursue the collection of overpayments to members and providers. The Contractor **shall** actively pursue the overpaid amounts in writing from the member and provider and **shall** continue collection efforts on behalf of ASP until collected, unenforceable, or instructed by ASP to discontinue collection efforts.
- D. Contractor **shall** process and adjudicate all predeterminations and claims received from contractors and/or eligible participants within fifteen (15) calendar days of the predetermination or claim.
- E. Contractor **shall** determine whether claims received qualify for reimbursement in accordance with the terms of the ASP Plan and the appropriate charge for each service provided and **shall** return unacceptable claims to the submitting party via U.S. Mail.
- F. Contractor **shall** conduct any investigations necessary for the proper determination and qualification of claims expense under the ASP Plan.
- G. Contractor **shall** provide Explanation of Benefits (EOB) for all Dental and Vision claims to members. All EOB's **must** contain all information required under Federal Regulations in the required timeframes and formats.
- H. Contractor **shall** make appropriate benefit payments to Plan participants when using non-participating providers for charges deemed eligible for reimbursement by the contractor in accordance with the ASP Plan.
- I. Contractor **shall** offer coordination of benefits when any covered person, or their spouse or dependents, has dental or vision coverage under more than the one plan. Contractor **shall** allow that ASP retains the authority to determine the order of benefit determination rules.
- J. Contractor **shall** handle all written and oral communications directly with the Plan participant concerning benefits, claims, and claims administration.
- K. Contractor **shall** accept liability for any costs incurred due to the Contractor's inaccurate or erroneous claims processing. ASP and/or Plan members **must not** be held responsible by the Contractor and **must not** be exposed to billing from the provider.

2.9 **SERVICE REQUIREMENTS**

- A. Contractor **shall** provide a team with sufficient technical, organizational, and communication skills to fully and completely discuss the Plan options with applicable eligible employees during the annual troop meetings. ASP anticipates a minimum of twelve (12) troop meetings, to be held in various locations throughout the State during the months of September and October, and annually thereafter. Contractor **shall** abide by any changes to the meeting schedule made by ASP.

- B. Contractor **shall** issue Plan and policy documents to ASP and **shall** issue any initial identification (ID) cards to covered members in accordance with ASP policy and applicable State law. Contractor **shall** allow online access for ASP to re-print ID cards, upon request from the member.
- C. Contractor **shall** respond to all member customer service calls related to the new policy and **shall** resolve any follow up items within two (2) business days.
- D. Contractor **shall** maintain a toll-free customer service number, dedicated to members of this Plan, throughout the duration of the contract. A trained customer service staff, fluent in English, **shall** be available for member inquiries between the hours of 8:00 a.m. and 5:00 p.m., Central time, Monday through Friday. Ninety percent (90%) of all in-bound calls **must** be answered in less than thirty (30) seconds and **must** provide an option for the member to select to speak to a customer service specialist.
- E. Contractor **shall not** use off-shore or foreign entities for Customer Service or data storage or data collection.
- F. Contractor **shall** be the custodian of claims records and **shall** acknowledge that ASP will retain all member eligibility data and files within the Administrative Services Division.
- G. Contractor **shall** maintain a secure website that meets the State laws of accessibility, *See Attachment B: Act 308*. The website **must** provide members the capability to view personal data, as well as provide a network provider listing.
 - 1. Contractor **shall** provide two (2) levels of security:
 - a. ASP as administrator
 - b. Members for individual personal health information
- H. Contractor's secure website **shall** provide ASP access to:
 - 1. Key enrollments, changes, terminations, etc.
 - 2. View member eligibility data by location or class (active, COBRA, retiree)
 - 3. Contractor directory
 - 4. Enrollment and change forms for processing
- I. Contractor **shall** provide a dedicated Account Manager solely to ASP for all issues that arise with regards to the Plan. The dedicated Account Manager **shall** have the authority to escalate issues for immediate resolution, and those instructions given to the Contractor staff from the dedicated Account Manager **shall** be taken as if directly given from ASP management.
- J. Contractor **shall** notify ASP immediately if a new Account Manager is assigned to ASP.
- K. Contractor **shall** establish and maintain a recordkeeping system pertaining to the services provided for the ASP Plan and all related claims. All such records **must** be made available for inspection by ASP or the ASP State Police Commission at any time during normal business hours, upon reasonable notice. Records **must** be retained for a period of seven (7) years by scanning or otherwise.
- L. Contractor **shall** maintain all provider records, contracts, terms and conditions, and make such documents and information available to ASP or their representative auditors upon request.
- M. Contractor **shall** ensure its participating providers do not collect from any plan participant the difference between the dental provider's submitted fee and the Contractor's maximum plan allowance (MPA).
- N. Contractor **shall** provide actuarial services, including cost and trend projections, to ASP on a basis to be mutually agreed upon by ASP and the Contractor.

- O. Contractor **shall** travel to ASP headquarters in Little Rock, Arkansas to discuss and update ASP on Plan performance every six (6) months throughout term of contract. Contractor **shall** be responsible for all expenses incurred as a result of travel to ASP headquarters in Little Rock, Arkansas.
- P. Contractor **shall** schedule and coordinate with ASP on billing in accordance with guidelines set by the Administrative Services Division and Fiscal Section of ASP.
- Q. Contractor **shall** provide weekly claims reports for reimbursement of claims payments and **shall** invoice ASP on a monthly basis for payment of administrative and preferred provider organization (PPO) fees.

2.10 **REPORTING**

- A. Contractor **shall** provide a weekly claims activity report to ASP each week no later than a date and time determined by ASP. This report **must** include the following data and **must** be reported in a format approved by ASP:
 - 1. Total number of claims for the week being reported.
 - 2. Submitted claims total dollar amount for the week being reported.
 - 3. Amount paid by the plan for the week being reported.
 - 4. Amount due by each member for the week being reported.
- B. Contractor **shall** provide a monthly report to ASP no later than the second Monday of each month. This report **must** include the following data and **must** be reported in a format determined and approved by ASP:
 - 1. Total number of covered lives by coverage tier:
 - i. Employee
 - ii. Employee + spouse
 - iii. Employee + child(ren)
 - iv. Employee + family
 - 2. Total amount paid in claims reported separately for Dental claims and Vision claims.
- C. Following the end of each quarter, Contractor **shall** report to ASP by the last calendar day of the month:
 - 1. Performance related details regarding timeliness of claims processing for each month of the quarter.
 - 2. Customer service phone call response time, both for the speed of the time in answering the call and the amount of time that it took to resolve the issue being called about, **must** be noted for each month of the quarter.
 - 3. Other measurable administrative elements to be determined by ASP.
- D. Contractor **shall** provide a year-end report on plan utilization to ASP at the end of each calendar year.
- E. Contractor **shall** provide custom ad hoc reports within seven (7) business days of a written request by ASP to include, but not be limited to:
 - 1. Annual Dependent Age Census Report
 - 2. Semi-Annual Member Audit Report

- F. All reports provided by the Contractor to ASP **must** be in a HIPAA-defined format as determined by ASP, and **must** include data requirements as determined by ASP. Formats and requirements **shall** be determined during implementation.

2.11 **IMPLEMENTATION AND TRANSITION**

- A. Contractor **shall** provide all appropriate Plan documents for review by ASP within sixty (60) days of contract award. Implementation should not to exceed sixty (60) days.
- B. During implementation, Contractor **shall** address any ASP clarifications and questions to the satisfaction of the Agency Director, Administrative Services Division Commander, and/or the Arkansas State Police Commission.
- C. Contractor **shall** allow ASP to test the secure website structure and pages during the implementation period and throughout the contract period, and to review content for usability as determined by ASP. Usability concerns **must** be resolved within two (2) business days of notification of an issue by ASP.
- D. Contractor **shall** conduct training on web-based benefit system for approximately six (6) people working within the Administrative Services Division of ASP. The training **must** be scheduled in advance with, and approved by, the Administrative Services Division Commander, and **must** be completed no later than thirty (30) days prior to the "go live" date of (September 1, 2019). The Administrative Services Division Commander will determine when training is satisfactorily completed. Training **must** be conducted on-site at ASP Headquarters in Little Rock, Arkansas. The Contractor **shall** be responsible for all travel and related costs incurred for this training.
- E. Contractor **shall** agree to work with the plan's incumbent dental and vision insurance Provider to ensure accurate and timely transfer of member data. In the event of an award to a new Contractor in the future, the Contractor **shall** provide a census and annual claims report within forty-five (45) days of being requested by ASP.

In the event ASP asks the Contractor to upload data from the incumbent contractor regarding a covered persons' annual maximum data or other benefit accumulators, ASP acknowledges that the Contractor will have no obligation to verify the accuracy of such data.

- F. Contractor **shall** make technical updates and changes necessary for full implementation in a timely manner as required to ensure a go live date of (September 1, 2019). Damages for failure to meet "go live" date are listed in the Performance Standards.
- G. The one-time Implementation fee will be paid only after the Implementation is completed and approved by the ASP Administrative Services Division Commander.
- H. All costs for implementation **shall** be borne by the Contractor, except as specifically indicated on the *Official Bid Price Sheet*. Any implementation cost will be a one-time fee.

2.12 **PERFORMANCE STANDARDS**

- A. State law requires that all contracts for services include Performance Standards for measuring the overall quality of services provided that a Contractor **must** meet in order to avoid assessment of damages.
- B. The State may be open to negotiations of Performance Standards prior to contract award, prior to the commencement of services, or at times throughout the contract duration. Performance Standards identifies expected deliverables, performance measures, or outcomes; and defines the acceptable standards.
- C. The State has 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 Contractor so as to establish standards that are reasonably achievable.
- D. All changes made to the Performance Standards will become an official part of the contract.
- E. Performance Standards will continue throughout the aggregate term of the contract.

- F. Failure to meet the minimum Performance Standards as specified will result in the assessment of damages.
- G. In the event a Performance Standard is not met, the Contractor will have the opportunity to defend or respond to the insufficiency. The State has the right to waive damages if it determines there were extenuating factors beyond the control of the Contractor that hindered the performance of services. In these instances, the State has final determination of the performance acceptability.
- H. Should any compensation be owed to the State agency due to the assessment of damages, Contractor **shall** follow the direction of the State agency regarding the required compensation process.

SECTION 3 – GENERAL CONTRACTUAL ITEMS

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

3.1 PAYMENT AND INVOICE PROVISIONS

A. Forward invoices to:

Arkansas State Police
Administrative Services
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 of goods and services by the agency.
- C. Do not invoice the State in advance of delivery and acceptance of any goods or services.
- D. Payment will be made only after the Contractor has successfully satisfied the agency as to the reliability and effectiveness of the goods or services purchased as a whole.
- E. The Contractor 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.
- F. Other sections of this *Bid Solicitation* may contain additional Requirements for invoicing.
- G. Selected Contractor **must** be registered to receive payment and future *Bid Solicitation* notifications. Contractors may register on-line at <https://www.ark.org/contractor/index.html>.

3.2 GENERAL INFORMATION

A. The State will not:

1. 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 Contractor/lessor in the event funds are not appropriated.
2. Contract with another party to indemnify and defend that party for any liability and damages.
3. Pay damages, legal expenses or other costs and expenses of any other party.
4. Continue a contract once any equipment has been repossessed.
5. Agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.
6. Enter a contract which grants to another party any remedies other than the following:
 - a. The right to possession.
 - b. The right to accrued payments.
 - c. The right to expenses of de-installation.
 - 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.

- B. Any litigation involving the State **must** take place in Pulaski County, Arkansas.

- C. The laws of the State of Arkansas govern this contract.
- D. A contract is not effective prior to award being made by a State Procurement Official.

3.3 CONDITIONS OF CONTRACT

- A. 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. 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 Contractor.

3.4 STATEMENT OF LIABILITY

- A. The State will demonstrate reasonable care but will not be liable in the event of loss, destruction or theft of Contractor-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 Contractor will retain total liability for equipment, software and technical and business or operations literature. The State will not at any time be responsible for or accept liability for any Contractor-owned items.
- B. The Contractor's liability for damages to the State will be limited to the value of the Contract or \$1,000,000, whichever is higher. The foregoing limitation of liability will 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 Contractor; 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 Contractor and the State will not be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability will 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 Contractor; 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 **must not** be construed or deemed as the State's waiver of its right of sovereign immunity. The Contractor agrees that any claims against the State, whether sounding in tort or in contract, will be brought before the Arkansas Claims Commission as provided by Arkansas law and governed accordingly.

3.5 RECORD RETENTION

- A. 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, grant access to State or Federal Government entities or any of their duly authorized representatives.
- B. Make financial and accounting records 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.

3.6 PRICE ESCALATION

- A. Price increases will be considered at the time of contract renewal.
- B. The Contractor **must** provide to OSP a written request for the price increase. The request **must** include supporting documentation demonstrating that the increase in contract price is based on an increase in market price. OSP has the right to require additional information pertaining to the requested increase.
- C. Increases will not be considered to increase profit or margins.
- D. OSP has the right to approve or deny the request.

3.7 CONFIDENTIALITY

- A. The Contractor, Contractor's subsidiaries, and Contractor's employees will 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 has the right to cancel the contract on these grounds.
- C. Previous sections of this *Bid Solicitation* may contain additional confidentiality Requirements.

3.8 CONTRACT INTERPRETATION

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

3.9 CANCELLATION

- A. For Cause. The State may cancel any contract resulting from this solicitation for cause when the Contractor fails to perform its obligations under it by giving the Contractor written notice of such cancellation at least thirty (30) days prior to the date of proposed cancellation. In any written notice of cancellation for cause, the State will advise the Contractor in writing of the reasons why the State is considering cancelling the contract and provide the Contractor with an opportunity to avoid cancellation for cause by curing any deficiencies identified in the notice of cancellation for cause prior to the date of proposed cancellation. To the extent permitted by law and at the discretion of the parties, the parties may agree to **minor amendments to** the contract and avoid the cancellation for cause upon mutual agreement.
- B. For Convenience. The State may cancel any contract resulting from the solicitation by giving the Contractor written notice of such cancellation sixty (60) days prior to the date of cancellation.
- C. If upon cancellation the Contractor has provided commodities or services which the State of Arkansas has accepted, and there are no funds legally available to pay for the commodities or services, the Contractor may file a claim with the Arkansas Claims Commission under the laws and regulations governing the filing of such claims.

3.10 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 Contractor will be relieved of all obligations arising under such provision. If the remainder of the contract is capable of performance, it will not be affected by such declaration or finding and **must** be fully performed.

SECTION 4 – 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 Bid Packets **must** be submitted to the Office of State Procurement on or before the date and time specified for bid opening. The Bid 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 rejected. The person signing the bid should show title or authority to bind his firm in a contract. Multiple bids **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. Contractor **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 Contractor to supply additional descriptive material. The Contractor **shall** guarantee that the product offered will meet or exceed specifications identified in this *Bid Solicitation*. Contractors 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 Contractor 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 Contractor **shall** further guarantee that if the items furnished hereunder are to be installed by the Contractor, such items **shall** function properly when installed. The Contractor **shall** guarantee that all applicable laws have been complied with relating to construction, packaging, labeling and registration. The Contractor'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 Contractor'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 Contractor's expense. After reasonable examination, all demonstrators will be returned at Contractor'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 Contractor.
- 10. **AMENDMENTS:** Contractor's bids 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 Contractor. 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 Contractor.
- 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 Contractor 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 Contractor.

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 Contractors 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. Contractor **shall** properly identify items being returned.
20. **PATENTS OR COPYRIGHTS:** The Contractor **must** agree to 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. **DISCRIMINATION:** In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the Contractor agrees that: (a) the Contractor **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 Contractor **shall** state that all qualified applicants **shall** receive consideration without regard to race, color, sex, age, religion, handicap, or national origin; (c) the Contractor 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 Contractor 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 Contractor **shall** include the provisions of above items (a) through (d) in every subcontract so that such provisions **shall** be binding upon such subcontractor or Contractor.
23. **CONTINGENT FEE:** The Contractor 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 Contractor for the purpose of securing business.
24. **ANTITRUST ASSIGNMENT:** As part of the consideration for entering into any contract pursuant to this solicitation, the Contractor named on the *Bid 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.
25. **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.