



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			
Solicitation Number:	SP-19-0094	Solicitation Issued:	8/22/2019
Description:	Workers' Compensation Managed Care		
Agency:	Arkansas Insurance Department		

SUBMISSION DEADLINE FOR RESPONSE			
Proposal Opening Date:	October 3, 2019	Proposal Opening Time:	2:00 p.m., Central Time
<p>Deliver proposal submissions for this Request for Proposal to the Office of State Procurement on or before the designated proposal opening date and time. In accordance with Arkansas Procurement Law and Rules, it is the responsibility of Prospective Contractors to submit proposals at the designated location on or before the proposal opening date and time. Proposals received after the designated 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 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. Prospective Contractors assume all risk for timely, properly submitted deliveries.</p>
Proposal's Outer Packaging:	<p>Seal outer packaging and properly mark with the following information. If outer packaging of proposal submission is not properly marked, the package may be opened for proposal identification purposes.</p> <ul style="list-style-type: none"> • Solicitation number • Date and time of proposal 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

The Office of State Procurement (OSP) issues this Request for Proposal (RFP) on behalf of the Arkansas Insurance Department (AID) to obtain proposals and a contract to provide managed care and medical cost containment services for employees of the State of Arkansas who have workers' compensation claims. The Public Employee Claims Division (PECD) of the Arkansas Insurance Department (AID) manages the claims.

Services for this contract include:

1. Preferred Provider Organization (PPO)
2. Bill Review
3. Utilization Review
4. Pre-Certification of Medical Procedures and Hospitalizations
5. Bill Negotiation for non-PPO medical providers
6. Peer Review
7. Nurse Medical Case Management

1.2 TYPE OF CONTRACT

- A. As a result of this RFP, OSP intends to award a contract to a single Contractor.
- B. The anticipated starting date for any resulting contract is February 1, 2020 with a Go-Live date for provision of services by July 1, 2020, 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 proposal in response to the RFP, the Prospective Contractor represents and warrants that it will honor its proposal as being held open as irrevocable for this period.
- C. The initial term of a resulting contract will be for two (2) years, which is anticipated to be from July 1, 2020 until June 30, 2022. Upon mutual agreement by the Contractor and agency, the contract may be renewed by OSP for up to five (5) 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 PROPOSAL OPENING LOCATION

Proposals 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 RFP to be considered a responsive Prospective Contractor.
- B. A Prospective Contractor's proposal will be rejected if a Prospective Contractor takes exceptions to any Requirements in the Requirements Section(s) of this RFP.

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. "AWCC" means Arkansas Workers' Compensation Commission.
- D. "Business Day" means any day occurring Monday through Friday excluding State Holidays.
- E. "Claim" means an itemized statement requesting payment for services rendered by providers and billed electronically through a web-based portal.
- F. "Contractor" means a person who sells or contracts to sell commodities and/or services.
- G. "Diagnostic Services" means the activities related to the evaluation of a patient by a physician, nurse practitioner or other healthcare professional, to address the signs and symptoms of a patient and determine the cause of the signs and symptoms.
- H. "DME" means Durable Medical Equipment, which is equipment that provides therapeutic benefits to a patient in need because of a medical condition or illness.
- I. "EDI" means Electronic Data Interchange.
- J. "EOR" means Explanation of Review.
- K. "MCO" means Managed Care Organization, which is a healthcare provider or a group of medical service providers who contract with insurers to deliver healthcare using a specific provider network, specific services, and specific products.
- L. "Medical Case Management" means a collaborative process that facilitates recommended treatment plans to assure the appropriate medical care is provided to disabled, ill, or injured individuals.
- M. "Medical Case Manager" means a person, usually a nurse or social worker, who assists in the planning, coordination, monitoring, and evaluation of medical services for a patient with an emphasis on quality of care, continuity of services, and cost-effectiveness.
- N. "Medical Cost Containment" means the practice of maintaining expense levels to prevent unnecessary spending.
- O. "Negotiation" means, for the purposes of this contract, reaching an agreement on a fair reduced price for the cost of a medical service provided for a Workers' Compensation claimant.
- P. "Non-PPO Medical Providers" means choosing a doctor or hospital provider who is not one of the participating providers on a specific health plan.
- Q. "Peer Review" means, for the purposes of this contract, the review and evaluation of the quality, necessity, and appropriateness of medical services provided by a practitioner, to determine compliance with professionally recognized standards of healthcare and compliance with laws and rules of the Arkansas Workers' Compensation Commission.
- R. "Pre-Certification" means the process through which a patient obtains approval from Arkansas Workers' Compensation (AWCC) to receive a health care service caused by an injury on the job.
- S. "Preferred Provider Organization or PPO" means a type of health plan that contracts with medical providers, such as hospitals and doctors, to create a network of participating providers. Typically, costs are reduced when a provider is used that belongs to the Preferred Organization.
- T. "Proposal Submission Requirement" means a task a Prospective Contractor **must** complete when submitting a proposal response. These requirements will be distinguished by using the term "shall" or "must" in the requirement.
- U. "Prospective Contractor" means a person who submits a proposal in response to this solicitation.
- V. The terms "Request for Proposal", "RFP", "Bid Solicitation," and "Solicitation" are used synonymously in this document.

- W. "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.
- X. "Responsive proposal" means a proposal submitted in response to this solicitation that conforms in all material respects to this RFP.
- Y. "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.
- Z. "State Holiday" means the following days during each year when State offices are closed:
1. Christmas Day
 2. Christmas Eve
 3. Dr. Martin Luther King Jr.'s Birthday
 4. Independence Day
 5. Labor Day
 6. Memorial Day
 7. New Year's Day
 8. President's Day / Daisy Gatson Bates Day
 9. Thanksgiving Day
 10. Veteran's Day
- AA. "Utilization Review" means the critical examination, usually by a nurse or physician, of healthcare services provided to patients, especially for the purpose of controlling costs, by identifying unnecessary medical procedures and monitoring the quality of care.

1.7 **RESPONSE DOCUMENTS**

A. Original Technical Proposal Packet

1. The following items are Proposal Submission Requirements and **must** be submitted in the original *Technical Proposal Packet*.
 - a. Original signed *Proposal Signature Page*. (See *Technical Proposal Packet*.)
 - b. One (1) original copy of the proposal response which includes:
 - i. Technical Proposal response to the Information for Evaluation section included in the *Technical Proposal Packet*. Proposal response **must** be in the English language.
 - ii. Response to the *Official Bid Price Sheet*. Pricing **must** be proposed in U.S. dollars and cents
 - The *Official Bid Price Sheet*, **must** be separately sealed from the *Technical Proposal Packet* and should be clearly marked as "Pricing". A Prospective Contractor **shall not** include any pricing in the copies of their *Technical Proposal Packet*.
2. The following items should be submitted in the original *Technical Proposal Packet*.
 - a. EO 98-04 Disclosure Form. (See *Standard Terms and Conditions*, #25. *Disclosure*.)
 - b. Copy of Prospective Contractor's *Equal Opportunity Policy*. (See *Equal Opportunity Policy*.)
 - c. *Voluntary Product Accessibility Template* (VPAT). (See *Technology Access*.)
 - d. Proposed Subcontractors Form. (See *Subcontractors*.)
 - e. Attachment A: Business Associate Agreement

3. **DO NOT** include any other documents or ancillary information, such as a cover letter or promotional/marketing information.

B. Additional Copies and Redacted Copy of the *Technical Proposal Packet* and *Official Bid Price Sheet*

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. Three (3) complete hard copies (marked "COPY") of the *Technical Proposal Packet*.
 - b. Four (4) electronic copies of the *Technical Proposal Packet*, on flash drives and in PDF format. Do not send electronic copies via email or fax.
 - c. All additional copies **must** be identical to the original copy. In case of a discrepancy, the original copy governs.
 - d. If OSP requests additional copies of the proposal, the copies **must** be delivered within the timeframe specified in the request.
2. One (1) redacted (marked "REDACTED") copy the original *Technical Proposal Packet*, on a flash drive and in PDF format. Do not send electronic copies via email or fax. (See *Proprietary Information*.)

1.8 ORGANIZATION OF RESPONSE DOCUMENTS

- A. It is strongly recommended that Prospective Contractors 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.
 - *Proposal Signature Page*.
 - *Proposed Subcontractors Form*.
 - Signed Addenda, if applicable.
 - E.O. 98-04 – *Contract Grant and Disclosure Form*.
 - *Equal Opportunity Policy*.
 - *Voluntary Product Accessibility Template* (VPAT).
 - *Technical Proposal* response to the *Information for Evaluation* section of the *Technical Proposal Packet*.

1.9 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 September 5, 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 September 13, 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 proposal.
- C. Prospective Contractors may contact the OSP buyer with non-substantive questions at any time prior to the proposal 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.

1.10 **PROPOSAL SIGNATURE PAGE**

- A. An official authorized to bind the Prospective Contractor(s) to a resultant contract **must** sign the *Proposal Signature Page* included in the *Technical Proposal Packet*.
- B. Prospective Contractor's signature on this page signifies Prospective Contractor's agreement to and compliance with all Requirements of this RFP, and that any exception that conflicts with a Requirement or Proposal Submission Requirement of this *Bid Solicitation* will cause the Prospective Contractor's proposal to be rejected.

1.11 **CONTRACTORS**

- A. It is expressly agreed that the Contractor and any subcontractors and agents, officers, and employees of the Contractor or any subcontractor in the performance of this Contract **shall** act in an independent capacity and not as officers or employees of the State.
- B. It is expressly agreed that this Contract **shall not** be construed as a partnership or joint venture between the Contractor or any subcontractor and the State of Arkansas.

1.12 **SUBCONTRACTORS**

- A. Prospective Contractor should complete, sign and submit the *Proposed Subcontractors Form* included in the *Technical Proposal Packet*.
- B. Additional subcontractor information may be required or requested in following sections of this *Bid Solicitation* or in the *Information for Evaluation* section provided in the *Technical Proposal Packet*. **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.
- D. Contractor **shall** be fully responsible for all work performed by a subcontractor under this Contract.
- E. Contractor may, upon written consent of the State, enter into written subcontracts for performance of certain of its functions under the Contract.

1.13 **PRICING**

- A. Prospective Contractor(s) **shall** include all pricing on the Official Bid Price Sheet(s) only. If any cost is not included 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 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 proposal opening.
- C. The *Official Bid Price Sheet*, **must** 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 on the Official Bid Price sheet or in the sealed pricing package.

1.14 **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.

1.15 **INDEPENDENT PRICE DETERMINATION**

- A. By submission of this proposal, the Prospective Contractor 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 warrants consideration of this proposal by the Office of the Attorney General. All Prospective Contractors **shall** understand that this paragraph may be used as a basis for litigation.

1.16 **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 *Technical Proposal Packet*. Do not submit documents via email or fax.
- G. Except for the redacted information, the redacted copy **must** be identical to the original 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 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.

1.17 **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 proposal 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 proposals.

1.18 **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 proposal opening may extend the opening date and time 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 proposal opening.

1.19 **AWARD PROCESS**

A. Successful Contractor Selection

The Grand Total Score for each Prospective Contractor, which is the sum of the Technical Score and Cost Score, will be used to determine the ranking of proposals. The State may move forward to negotiations with those responsible Prospective Contractors determined, based on the ranking of the proposals, to be reasonably susceptible of being selected for award.

B. Contract Negotiations

1. If the State so chooses, negotiations may be conducted with the highest-ranking Prospective Contractors. Contract Negotiations are conducted at the sole discretion of the State.
2. If contract negotiations fail to result in a contract, the State may begin the contract negotiation process with the next highest-ranking Prospective Contractor. The contract 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.

1.20 INTERGOVERNMENTAL/COOPERATIVE USE OF COMPETITIVELY BID PROPOSALS AND CONTRACTS

In accordance with Arkansas Code Annotated § 19-11-249, any State public procurement unit may participate in any contract resulting from this solicitation with a participating addendum signed by the Contractor and approved by the chief procurement officer of the procurement agency issuing this solicitation.

1.21 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 *Proposal Signature Page*.

1.22 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 copy 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.

1.23 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.

1.24 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 Proposal 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.

1.25 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". Proposals submitted by Prospective Contractors determined to be non-responsible will be rejected.

1.26 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.

1.27 COMPLIANCE WITH THE STATE SHARED TECHNICAL ARCHITECTURE PROGRAM

The Prospective Contractor'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: <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.

1.28 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.

1.29 PUBLICITY

- A. Do not discuss the solicitation nor your proposal 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 proposal to be rejected.

1.30 RESERVATION

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

SECTION 2 – REQUIREMENTS

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

2.1 INTRODUCTION

The Office of State Procurement (OSP) issues this Request for Proposal (RFP) on behalf of the Arkansas Insurance Department (AID) to obtain proposals and a contract to provide managed care and medical cost containment services for employees of the State of Arkansas who have workers' compensation claims. The Public Employee Claims Division (PECD) of the Arkansas Insurance Department manages the claims.

This contract will provide for managed care services for workers' compensation claims administered by the Public Employee Claims Division of the Arkansas Insurance Department. The authorization for workers' compensation managed care is contained in Arkansas Code Annotated Sections §11-9-508, and § 11-9-517, and Arkansas Workers' Compensation Commission (AWCC) Rule 30, and Arkansas Workers' Compensation Rule 33.

The Contractor **shall** provide the following services:

1. Preferred Provider Organization (PPO)
2. Utilization Review Program
3. Professional Bill Review Program
4. Pre-Certification of Medical Procedures and Hospitalizations
5. Bill Negotiation for non-PPO medical providers
6. Peer Review
7. Medical Case Management

2.2 GENERAL REQUIREMENTS

- A. Contractor **shall** comply with all applicable rules and regulations of the Arkansas Workers' Compensation Commission (AWCC), including but not limited to AWCC Rules 30 and 33 including any subsequent revisions.
- B. Contractor **shall** provide a Medical Cost Containment program for the public employees of the State of Arkansas Workers' Compensation claims managed by PECD.
- C. According to AWCC Rule 99.30 § VII, Contractor **shall** maintain its certification as a Managed Care Organization (MCO) by the Medical Cost Containment Division of the AWCC.
- D. Contractor **shall** meet the Arkansas Worker's Compensation statutory insurance requirement limits by having Commercial General Liability insurance, listing the State of Arkansas as an additional insured and having the following coverages with bid submission and annually by June 1:
 1. Bodily injury (including death): Minimum of \$1,000,000 per occurrence / \$2,000,000 general aggregate.
 2. Property Damage and Personal Injury, including coverage for contractual liability: Minimum of \$1,000,000 per occurrence / \$2,000,000 general aggregate.

2.3 KEY PERSONNEL REQUIREMENTS

- A. Contractor personnel providing services under this contract **shall** be licensed, registered or certified health care professionals. Certification **must** be by the applicable State agency and/or professional organization.
- B. According to AWCC Rule 99.30, Part VII (3) (a-3), Contractor **shall** meet at least one (1) of the qualifications of medical case manager:
 1. Physician licensed in Arkansas; or
 2. A Designated Certified Case Manager (CCM) by the Certification of Insurance Rehabilitation Specialists Commission for Case Management Certification; or
 3. Currently licensed Registered Nurse; or
 4. Currently licensed as an Occupational Health Nurse; or

5. Currently licensed as a Licensed Practical Nurse (LPN) and have eighteen (18) months supervised clinical experience and six (6) months acceptable case management experience.

C. Contractor personnel providing services under this contract **shall** meet the experience requirements as listed in 2.3.B above, and occupational injury or disease expertise, or both are preferred, to render an informed clinical judgement of the medical relevance of the services provided.

2.4 PREFERRED PROVIDER ORGANIZATION (PPO) REQUIREMENTS

A. Contractor **shall** provide PPO discounts for medical services resulting in charges for medical services that are less than the Arkansas Workers' Compensation Commission's medical fee schedule with medical providers in all of the State of Arkansas's seventy-five (75) counties. The provision of providers in additional areas is encouraged.

B. Contractor **shall** accept any arrangements made by PECD for separate arrangements with other providers for diagnostic services and physical therapy services.

C. Contractor **shall** accept any arrangements made by PECD to purchase Durable Medical Equipment (DME) from another providers.

2.5 UTILIZATION REVIEW PROGRAM REQUIREMENTS

A. Contractor **shall** conduct ongoing and/or retrospective Utilization Review of medical bills submitted to PECD to identify over-utilization of services and improper billing as referenced in AWCC Rule 30, AWCC Rule 33, and any pertinent MCO fee schedules.

B. According to AWCC Rule 99.30, Utilization Review in Part VI – Utilization Review, Section B, Under the Contractor's Utilization Review program, the Contractor **shall** make determinations concerning a covered injury or illness through one of the following approaches:

1. Review by licensed, registered, or certified health care professionals.

2. The application of criteria developed by licensed, registered, or certified health care professionals.

3. A combination of approaches one (1) and two (2) according to the type of covered injury or illness.

C. Licensed, registered, or certified health care professionals **shall** be involved in the review of reconsideration and determination of the Contractor's response to a request by the State for reconsideration of its bill.

D. Contractor **shall** make determinations concerning utilization of medical care pursuant to the provisions of Arkansas Workers' Compensation Commission Rules 99.30 and 99.33.

E. Contractor **shall** accept any arrangements, made by PECD for other providers, to provide Utilization Review/Negotiation for services involving diagnostic services, physical therapy services, and any services provided by medical providers who are not members of the PPO network.

F. The duties of utilization review, **must** include, but are not limited to:

1. Contractor **shall** determine accuracy of billing codes.

2. If a procedure is billed or coded incorrectly, Contractor **shall** re-code the procedure, and notify the provider of reason(s) for re-coding in writing within thirty (30) days of receipt of the bill.

3. Contractor **shall** determine if the amount billed for a procedure exceeds maximum allowable payment under AWCC Rule 30.

4. If a procedure exceeds maximum allowable payment, Contractor **shall** reduce bill to the maximum allowable payment for that specific procedure.

5. Contractor **shall** apply PPO discounts, when applicable, to services provided.

6. Contractor **shall** notify a provider of change(s) by item, in writing or by the Electronic Data Interchange (EDI) within ten (10) calendar days of receipt of the bill, by production of an Explanation of Review (EOR).
7. Contractor **shall** have reviewed bills completed and returned to PECD via the EDI with an EOR within ten (10) calendar days of receiving the bills.
8. Contractor **shall** provide data and images of original bill, attached medical review, and EOR.
9. Contractor **shall** be responsible for reconsidering disputed reimbursements, as defined and set forth in AWCC Rule 99.30, based on documentation submitted by the provider.
 - a. Contractor **shall** submit a written response to the provider and send a copy to PECD.
 - b. If dispute cannot be resolved and is litigated, Contractor will be required to defend their decision, as set forth in AWCC Rules 30, 99.30 Part II, 99.30 Part III, and 99.33 Part XI throughout the appeals process.
- G. Contractor may, at any time, be asked in writing by AID to review any case record or bill which PECD, or any other entity believes may involve over-utilization, inappropriate billing, or pattern of abuse. Should the Contractor receive a request, the Contractor **shall** follow the process set forth in AWCC Rule 99.30 Part IV.
- H. Contractor **shall** notify PECD upon discovery of any over-utilization, inappropriate billing or pattern of abuse within two (2) Business Days. Notifications **must** be made by phone call, email, or fax.

2.6 PROFESSIONAL BILL REVIEW PROGRAM REQUIREMENTS

- A. Contractor **shall** conduct reviews and evaluations of multiple or sequential health care within fourteen (14) Calendar Days of written request by the PECD of the AID.
- B. Contractor **shall** abide by and **shall** determine during bill review accepted evidence-based medical procedures and protocols, including but not limited to the Official Disability Guidelines (ODG), American College of Occupational and Environmental Medicine (ACOEM) Guidelines and from medical specialty organizations set up by the Managed Care Organizations.
 1. Provider **must** be notified in writing of the decision within the timeframe set out in AWCC Rules 99.30 and 99.33.
 2. A copy of the decision **must** be sent to the PECD via encrypted e-mail or fax.
- C. Contractor **shall** review all cases involving inpatient hospital care.
- D. Should PECD initiate a Peer Review, the Contractor **shall** contact the appropriate medical provider, such as a general practitioner or specialist and **shall** review the medical records or provider as applicable. After review is complete, the Contractor **shall** issue a determination regarding whether the care received is reasonable, necessary, and related to the Workers' Compensation Injury. The transfer of records **must** be determined by the PECD.
- E. Damages for failure to meet turn-around time of fourteen (14) Calendar Days for bill review is eighteen percent (18%) reduction of the charges invoiced by the Contractor for that individual bill.

2.7 PRE-CERTIFICATION OF MEDICAL PROCEDURES AND HOSPITALIZATIONS REQUIREMENTS

- A. Contractor **shall** provide a procedure for requesting pre-authorization in accordance to Chapter 1, Section S AWCC Rule 30 of the AWCC Medical Fee Schedule.
- B. Contractor **shall** complete pre-authorizations within twenty-four (24) hours of receipt of all records pertaining to the medical care being sought that are needed to complete the pre-authorization.
- C. Contractor **shall** invoice, via EDI, all pre-hospitalization certification charges to PECD within thirty (30) days of services provided.

2.8 BILL NEGOTIATION FOR NON-PPO MEDICAL PROVIDERS REQUIREMENTS

- A. In situations where treatment is provided by a medical provider which is not in the PPO, Contractor **shall** negotiate a reduced rate for those medical services.

2.9 PRIVACY AND SECURITY REQUIREMENTS

- A. Contractor **shall** abide by the Business Associate Agreement. See *Attachment A: Business Associate Agreement*.

2.10 MEDICAL CASE MANAGEMENT

- A. Contractor **shall** provide case management services according to specific written request from PECD.
- B. Contractor **shall** be the Medical Case Manager and **shall** work in accordance of applicable sections of AWCC Rule 33.
- C. Contractor's Medical Case Manager **shall** send updates to the PECD Workers' Compensation Claims Analyst or Workers' Compensation Claims Specialist handling the claim within twenty-four (24) hours of all medical appointments and meetings with the injured employee.
- D. Contractor's Medical Case Management charges **must** be invoiced to AID, through EDI, to PECD within thirty (30) days of the date service was provided.
1. All Medical Case Management charges **must** be itemized on the invoice.
 2. Expenses to be reimbursed through a third party, which have been advanced by the managed care company, **must** be invoiced separately.
- E. Damages for poor performance is eighteen percent (18%) reduction of the bill(s) affected by the poor performance. Poor performance is defined as, but not limited to:
1. Erroneously denying all or part of more than three (3) bills per month.
 2. Conducting improper utilization review on more than one (1) case per year. Improper utilization includes, but is not limited to:
 - a. Failure to complete the review within seventy-two (72) hours.
 - b. Recommending acceptance of treatment which is not supported by evidence-based medicine.
 - c. Recommending denial of treatment which is supported by evidence-based medicine.
 3. Following improper protocol to manage a claim more than one (1) time in one (1) year. Proper protocol is:
 - a. The Medical Case Manager **shall** begin work within one (1) Business Day of receipt of a referral, or sooner in emergency situations.
 - b. Following PECD instructions or having a reasonable explanation of why instructions cannot be followed.
 - c. The Medical Case Manager **shall** keep PECD personnel who are handling a claim, informed about any change in the employee's work status within twenty-four (24) hours of receiving notice of change of work status. As soon as possible is preferred.
 - d. The Medical Case Manager **shall** keep the PECD personnel who are handling a claim informed of results in medical visits attended within twenty-four (24) hours. As soon as possible is preferred.
 - e. The Medical Case Manager **shall** notify PECD personnel involved in handling a claim of any authorization needed for medical treatment, medications, or other services no later than one (1) Business Day.

4. Implementing services not called for in AWCC Rules 30 or 33 without the expressed written permission of the PECD.

2.11 REPORTING REQUIREMENTS

- A. Contractor **shall** submit reports to the AID/PECD Contract Administrator according to the provisions of Part IX of AWCC Rule 33.
- B. Contractor **shall** submit monthly reports, such as, but not limited to:
 1. General Monthly Report
 - a. The general monthly report **must** contain the following information:
 - i. Number of bills reviewed.
 - ii. Amount reduced on bills.
 - iii. Total cost of review.
 - iv. Return on investment.
 2. Medical Case Management Monthly Report
 - a. The medical case management monthly report **must** contain the following information:
 - i. List of cases referred to Medical Case Management.
 - ii. Costs to-date for Medical Case Management.
 - iii. Number of cases referred for Pre-Authorization Review.
 - iv. Listing of all open cases in Medical Case Management as of reporting date.
 3. Reports **must** be submitted via encrypted email to the Insurance Director, the Insurance Program Manager and the Managing Attorney for PECD by the 15th of the month following month of services. Email addresses and encrypted email instructions will be provided upon Contract award.

2.12 ADMINISTRATIVE REQUIREMENTS

- A. Contractor **shall** provide Explanation of Review data to the PECD for importation into the Public Employees Claims Division's claim database by the 15th of the month following month of services in a format as determined and approved by the PECD.
- B. Contractor **shall** retain all pertinent records, such as Medical Case Manager activities, bill review documentation and supporting documentation for billing submitted to PECD for five (5) years after final payment is made under this contract.
- C. In the event of an audit, litigation or other action involving the pertinent records, such as Medical Case Manager activities, bill review documentation and supporting documentation for billing submitted to PECD occurring before the end of the five (5) year period.
- D. Contractor **shall** retain pertinent records, such as Medical Case Manager activities, bill review documentation and supporting documentation for billing submitted to PECD until all issues arising from the action are resolved or until the end of the five (5) year period, whichever is later.
- E. Contractor **shall** allow access to pertinent records, such as Medical Case Manager activities, bill review documentation and supporting documentation for billing submitted to PECD, in accordance with State statutes governing audits.
 1. Access **must** be granted, upon written request from the PECD, to the Arkansas Legislative Joint Auditing Committee or any other entity authorized by PECD for auditing purposes.

2. Access **must** be granted to any books, documents, papers, or records of the Contractor which are directly relevant to any services performed under this contract.
- F. Contractor personnel **shall** meet the guidelines as set forth in AWCC Rule 99.30, Part VII, (3) (a-3). Contractor personnel providing Medical Case Management, peer review, and utilization review **shall** be licensed, registered or certified health care professionals. Certification **must** be by the applicable State agency and/or professional organization.
 - G. Contractor **shall** retain, for a minimum of five (5) years, documentation concerning all audits conducted for the purposes of this contract.

2.13 **AUDIT REQUIREMENTS**

- A. Contractor **shall** conduct internal audits annually of a random sampling of five (5) cases to confirm accuracy of information. If information is incorrect, Contractor **shall** correct the information at the time of the audit. This information **must** be self-reported and sent to the Director of the PECD via encrypted email by May 15 of the current State Fiscal Year. The State Fiscal Year is from July 1 until June 30.
- B. Contractor **shall** retain, for a minimum of five (5) years, documentation concerning all audits conducted for the purposes of this contract.
- C. In the event of an audit, litigation, or other action involving pertinent records, such as case manager activities, bill review documentation and supporting documentation for billing submitted to PECD occurring before the end five (5) year post-contract period, Contractor **shall** retain pertinent records, such as Medical Case Manager activities, bill review documentation, and supporting documentation for billing submitted to PECD, until all issues arising from the action are resolved or until the end of the five (5) year period, whichever is later.
- D. Contractor **shall** allow access to pertinent records, such as Medical Case Manager activities, bill review documentation and supporting documentation for billing submitted to PECD in accordance with State statutes governing audits.
 1. Access **must** be granted, upon written request from the PECD, to the Arkansas Legislative Joint Auditing Committee or to any other entity authorized by PECD for auditing purposes.
 2. Access **must** be granted to any books, documents, papers, or records of the Contractor which are directly relevant to any services performed under this contract.
- E. Contractor personnel **shall** meet the guidelines as set forth in AWCC Rule 99.30, Part VII, (3) (a-3). Contractor personnel providing Medical Case Management, peer review, and utilization review **shall** be licensed, registered or certified health care professionals. Certification **must** be by the applicable State agency and/or professional organization.

2.14 **ELECTRONIC INVOICING AND PRICING REQUIREMENTS**

- A. Contractor **shall** provide electronic invoicing as per instructions that will be provided to awarded Contractor.
- B. Contractor **shall** submit electronic invoices to AID through the Electronic Data Interchange (EDI) system.
- C. Contractor **shall** invoice, via EDI, for services by individual claimant.
- D. Contractor **shall** provide PECD with a valid Tax Identification Number.
- E. Contractor **shall** calculate the invoice for Bill Review services per bill in the following ways:
 1. A flat rate will apply per line with a two (2) line minimum.
 2. The header does not count as a line.
- F. The Contractor **shall** calculate the invoice for Peer Review services in the following ways:
 1. A flat rate will apply for up to fifty (50) pages (even if less than 50 pages).

2. An additional page rate will be applied for each additional page starting at page fifty-one (51).
- G. Contractor **shall** invoice Medical Case Management at an hourly rate.
1. Time **must** be billed in ten (10) minute increments.
 2. Contractor **shall** round down for under five (5) minutes.
 3. Contractor **shall** round up for five (5) or more minutes up to ten (10) minutes.
- H. Contractor **shall** invoice Utilization Review at an hourly rate.
1. Time **must** be billed in ten (10) minute increments.
 2. Contractor **shall** round down for under five (5) minutes.
 3. Contractor **shall** round up for five (5) or more minutes up to ten (10) minutes.
- I. Contractor **shall** include mileage of up to ten (10) miles roundtrip in the Medical Case Management hourly rate.
1. The State will pay for mileage, per mile, if over ten (10) miles roundtrip.
 2. If mileage charges appear to be in excess, PECD will have the final determination for mileage reimbursement charges to the Contractor.
- J. Damages exercised more than two (2) times in one (1) calendar year may result in cancellation of the contract.

2.15 IMPLEMENTATION

- A. Implementation deadlines will be negotiated with awarded Contractor.
- B. Contractor **shall** meet each specified deadline as determined by AID for Implementation.
- C. Implementation **must** be completed and approved by AID prior to Go Live Date of July 1, 2020.

2.16 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* listed below identify 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.

Number	Service Criteria	Acceptable Performance	Damages applied to monthly invoice unless otherwise stated
1	Insurance	Provide proof Commercial Liability Insurance as specified in RFP.	Two hundred fifty dollars (\$250) per day for each day not received past due date.
2	General Monthly Report	Provide monthly General Report on date as specified in RFP determined by the AID.	One hundred dollars (\$100) per each day not received past deadline as specified in the RFP.
3	Medical Case Management Monthly Report	Provide Medical Case Management monthly report on date as specified in the RFP and determined by the AID.	One hundred dollars (\$100) per each day not received past the deadline as specified in the RFP.
4	Explanation of Review Data	Provide Explanation of Review Data to PECD in a format and date as determined and approved by the PECD of the AID.	Five hundred dollars (\$500) per each date not received past the deadline as specified in the RFP.
5	Electronic Invoicing	Provide electronic invoice to AID as specified in the RFP.	Eighteen percent (18%) reduction of the charges invoiced in a specific month.
6	Bill Review Timelines	Bill Review deadlines met within timeframes as specified in the RFP.	Eighteen percent (18%) reduction of the affected bills invoiced.
7	Audit	Provide self-report as specified in the RFP.	Two hundred fifty dollars (\$250) per each date not received past the due deadline as specified in the RFP.
8	Implementation	Meet 100% of implementation deadline(s).	As negotiated prior to Implementation start date.

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 will be rejected and will not be evaluated.
- B. An agency-appointed Evaluation Committee will evaluate and score qualifying Technical Proposals. Evaluation will be based on Prospective Contractor’s response to the *Information for Evaluation* section included in the *Technical Proposal Packet*.
1. Members of the Evaluation Committee will individually review and evaluate proposals and complete an Individual Score Worksheet for each proposal. Individual scoring for each Evaluation Criteria will be based on the following Scoring Description.

Quality Rating	Quality of Response	Description	Confidence in Proposed Approach
5	Excellent	When considered in relation to the RFP evaluation factor, the proposal squarely meets the requirement and exhibits outstanding knowledge, creativity, ability or other exceptional characteristics. Extremely good.	Very High
4	Good	When considered in the relation to the RFP evaluation factor, the proposal squarely meets the requirement and is better than merely acceptable.	High
3	Acceptable	When considered in relation to the RFP evaluation factor, the proposal is of acceptable quality.	Moderate
2	Marginal	When considered in relation to the RFP evaluation factor, the proposal’s acceptability is doubtful.	Low
1	Poor	When considered in relation to the RFP evaluation factor, the proposal is inferior.	Very Low
0	Unacceptable	When considered in relation to the RFP evaluation factor, the proposal clearly does not meet the requirement, either because it was left blank or because the proposal is unresponsive.	No Confidence

2. After initial individual evaluations are complete, the Evaluation Committee members will meet to discuss their individual ratings. At this consensus scoring meeting, each member will be afforded an opportunity to discuss his or her rating for each evaluation criteria.
3. After committee members have had an opportunity to discuss their individual scores with the committee, the individual committee members will be given the opportunity to change their initial individual scores, if they feel that is appropriate.
4. The final individual scores of the evaluators will be recorded on the Consensus Score Sheets and averaged to determine the group or consensus score for each proposal.
5. 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 five (5) 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
E1 Preferred Provider Organization (PPO) Requirements	20	25%	175
E2 Professional Bill Review Program Requirements	30	25%	175
E3 Medical Case Management	35	25%	175
E4 Utilization Review Program Requirements and Pre-Certification of Medical Procedures and Hospitalizations Requirements	20	10%	70
E5 Electronic Invoicing and Reporting Requirements	10	15%	105
Total Technical Score	115	100%	700

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

D. The proposal'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. The proposal's weighted scores for sub-sections will be added to determine the Total Technical Score for the Proposal.
- F. Technical Proposals that do not receive a minimum weighted score/subtotal of 300 may not move forward in the solicitation process. The pricing for proposals which do not move forward will not be scored.

3.2 DEMONSTRATION SCORE

- A. The Prospective Contractors with the top three Technical proposal scores after the completion of the technical proposal evaluation will be contacted to schedule a demonstration.
- B. The buyer will create a second set of score sheets by copying the Excel workbook (including the scores entered) and titling each of the score sheets in that workbook as the "Post-Demonstration" score sheets.
- C. After each demonstration is complete, the Evaluation Committee members will have the opportunity to discuss the demonstration and revise their individual scores on the Post-Demonstration Consensus Score Sheet based on the information in the demonstration.
- D. The final individual scores of the evaluators on the Post-Demonstration Consensus Score Sheets will be averaged to determine the final Technical score for each proposal.

3.3 COST SCORE

A. When pricing is opened for scoring, the maximum amount of cost points allocated to each Table (Tables A – C on the Official Bid Price Sheet) will be given to the Prospective Contractor with the lowest annual cost as shown on the *Official Bid Price Sheet* 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 proposals 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

3.4 GRAND TOTAL SCORE

The Technical Score and Cost Score will be added together to determine the Grand Total Score for the proposal. The Prospective Contractor’s proposal with the highest Grand Total Score will be selected as the apparent successful Contractor. (See *Award Process*.)

	Maximum Points Possible
Technical Proposal	700
Cost	300
Table A – 150 points	
Table B – 75 points	
Table C – 75 points	
Maximum Possible Grand Total Score	1,000

3.5 PROSPECTIVE CONTRACTOR ACCEPTANCE OF EVALUATION TECHNIQUE

A. Prospective Contractor **must** agree to all evaluation processes and procedures as defined in this solicitation.

B. The submission of a *Technical Proposal Packet* signifies the Prospective Contractor’s understanding and agreement that subjective judgments will be made during the evaluation and scoring of the Technical Proposals.

SECTION 4 – GENERAL CONTRACTUAL ITEMS

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

4.1 PAYMENT AND INVOICE PROVISIONS

- A. Upon award, electronic invoice submission information will be provided to awarded Contractor.
- B. Payment will be made in accordance with applicable State of Arkansas accounting procedures upon acceptance 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. Prospective Contractors may register on-line at <https://www.ark.org/contractor/index.html>.
- H. Electronic invoicing is required.

4.2 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 deinstallation.
 - d. The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded.
 - e. The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.
- 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.

4.3 **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.

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 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 \$1,000,000.00 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.

4.5 **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.

4.6 **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.

4.7 **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.
- D. Contractor **shall** treat all healthcare and personal information of injured employees (such as but not limited to address, phone number, date of birth, social security number) as confidential information to the extent that confidential treatment is provided under State or Federal law.
- E. Contractor **shall not** use any information in any manner except as necessary for the proper discharge of its obligations and securement of its rights hereunder.
- F. All information as to personal facts and circumstances concerning claimants, obtained by the Contractor, **shall** be treated as privileged communications, and **shall** be held confidential, and **shall 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. The use of disclosure of information concerning recipients will be limited to proposals directly connected with the administration of the Contract.

4.8 **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.

4.9 **INSPECTION OF WORK PERFORMED**

- A. The State of Arkansas or their authorized representatives **shall**, at all reasonable times, have the right to enter into Contractor's premises, or such other places where duties under the Contract are being performed, to inspect, monitor, or otherwise evaluate the quality, appropriateness and timeliness of work being performed.
- B. The Contractor and all subcontractors **shall** provide access to all reasonable facilities and assistance.
- C. All inspections and evaluations **must** be performed in such a manner as will not unduly delay work.

4.10 **PUBLIC DISCLOSURE**

- A. Upon signing of the Contract by all parties, terms of the Contract **shall** become available to the public, following the provisions of Arkansas Code Annotated Sections 25-19-101 et seq.

4.11 **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.

4.12 **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.

4.13 DISPUTES

- A. Contract Administrator, who will reduce his decision in writing and serve a copy to the Contractor, will decide any dispute concerning performance of the Contract.
- B. The decision of the Contract Administrator will be final and conclusive unless within thirty (30) days from the date of service, the Contractor files with the Contract Administrator a petition for an administrative hearing addressed to the Insurance Commissioner.
- C. Pending final determination of any dispute, the Contractor **shall** proceed diligently with the performance of the contract and in accordance with the Contract Administrator's direction.

4.14 TERMINATION CLAIMS

- A. After receipt of a Notice of Termination, the Contractor **shall** submit to the Contract Administrator any termination claims in the form and with the certification prescribed by the Contract Administrator.
- B. Contractor **shall** submit claims within three (3) business days of receipt of a Notice of Termination.
- C. Contractor and the State may agree upon the amounts to be paid to the Contractor by reason of the total or partial termination of work pursuant to this article.
- D. Contract **must** be amended accordingly.
- E. In the event of the failure of the Contractor and the State to agree in whole or in part as to the amounts with respect to costs to be paid to the Contractor in connection with the total or partial termination of work pursuant to this article, the State will determine, on the basis of information available, the amount, if any, due to the Contractor by reason of termination and will pay to the Contractor the amount so determined.
- F. Contractor **shall** have the right to appeal, as stated under Disputes, from any such determination made by the Contract Administrator.

4.15 STATE PROPERTY

- A. Contractor **shall** be responsible for the proper custody and care of any State-owned property furnished for the Contractor's use in connection with the performance of this Contract.
- B. Contractor **shall** reimburse the State for loss or damage of State property, with the exception of normal wear and tear.

4.16 WAIVER

No covenant, condition, duty, obligation or undertaking contained in or made a part of the contract will be waived, except by the written agreement of both parties, and forbearance or indulgence in any other form or manner by either party, in any regard whatsoever, **shall not** constitute a waiver of the covenant, condition, duty, obligation, or undertaking to be kept, performed, or discharged by the party to which the same may apply; and until complete performance or satisfaction of all such covenants, conditions, duties, obligations, and undertakings, any other party **shall** have the right to invoke any remedy available under law of equity, notwithstanding any such forbearance or indulgence.

4.17 ATTORNEY'S FEES

- A. In the event that either party deems it necessary to take legal action to enforce any provision of the Contract, in the event the State prevails, the Contractor agrees to pay all expenses of such action, including attorney's fees and costs at all states of litigation as set by the court or hearing officer.
- B. Legal action **must** include administrative proceedings.

4.18 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 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 resulting contract 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 rejected. The person signing the bid shall have 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. 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 is 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 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 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 *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.
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.