**California Health Benefit Exchange**

**(Covered California)**

**RFP 2014-21 Audit Services**

**January 22, 2015**

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## INTRODUCTION

### Overview

You are invited to review and respond to this Request for Proposal (RFP). To submit a proposal to provide the requested services, you must comply with the instructions contained in this document as well as the requirements stated in the Scope of Work (SOW), Contractor Response Guidelines, and Attachment 2-D: Cost Worksheet. By submitting a proposal, your firm agrees to the terms and conditions stated in this RFP.

Read this document carefully. Responses to this RFP must be submitted to the California Health Benefit Exchange (Covered California) contact noted in Section 1.3 below.

### Key Action Dates

Contractors are advised of the key dates and times shown below and are expected to adhere to them. All times noted in this document are Pacific Standard Time (PST).

**KEY ACTION DATES**

|  |  |
| --- | --- |
| **Request for Proposal Release Date:** | January 22, 2015 |
| **Questions Due Date:** | January 28, 2015 3:00PM PST |
| **Response to Questions Due Date:** | January 30, 2015 |
| **Proposals Due Date:** | February 10, 2015 3:00PM PST |
| **Interviews: (if necessary)** | February 13, 2015 |
| **Notice of Intent to Award** | February 20, 2015 |
| **Estimated Term Dates:** | March 10, 2015 – June 15, 2015 |

### Contact

Alisa Channell

Covered California

E-mail address: hbexsolicitation@covered.ca.gov

1601 Exposition Blvd.

Sacramento, CA 95815

Four (4) copies of the Final Proposal are due by the stated deadline to the contact at the mailing address indicated above.

### Contract Amount

A proposer shall offer the cost for this audit services that (s)he believes to be reasonable and competitive.

### Proposer’s Questions

Proposers shall submit any questions regarding this RFP by the due date specified in the Key Action Dates table in Section 1.2. Only e-mail inquiries addressed to the contact person listed Section 1.3 will be accepted. Proposers shall provide specific information to enable Covered California to identify and respond to their questions. When submitting inquiries, please reference the RFP number. At its discretion, Covered California may contact an inquirer to seek clarification of any inquiry received. Proposers that fail to report a known or suspected problem with the RFP or fail to seek clarification and/or correction of the RFP, shall submit a proposal at their own risk.

### Format of Proposals

This RFP requires Proposers to submit a final phase proposal(s) that shall contain all required Administrative and Technical Attachments and Exhibits and submitted in a sealed envelope/container when shipped to Covered California by the dates and times shown in Section 1.2 Key Action Dates. The sealed package must be plainly marked with the (1) RFP number and title, (2) firm name and address, and (3) must be marked with “DO NOT OPEN”, as shown in the following example:

**RFP 2014-21**

**Audit Services**

**Attention: Alisa Channell**

**Covered California**

**1601 Exposition Blvd.**

**Sacramento, CA 95815**

**DO NOT OPEN**

Proposer shall submit four (4) sets of copies for all Administrative/Technical Attachments and Exhibits in the sealed Envelope/Container. In the proposer’s best interest, one (1) set should be titled as being the “Master Copy” and the remaining three (3) as additional copies. Proposer shall also provide a CD-ROM with the appropriate Administrative and Technical Attachments and Exhibits in searchable text format (e.g., Word, searchable PDF). Each copy shall be titled and unbound including the additional copies.

Hardcopy proposals shall be on standard 8 ½” x 11" paper. Electronic versions shall be stored in a Covered California-designated central repository and remain the sole property of Covered California.

**Proposals not submitted under sealed cover will be rejected.**

### Rejection of Proposals

Deviations, whether or not intentional, may cause a proposal to be non-responsive and not considered for award. Covered California may reject any or all proposals and may waive any immaterial deviation or defect in a proposal. Covered California's waiver of any immaterial deviation or defect shall in no way modify the RFP documents or excuse the Proposer from full compliance with the RFP specifications if awarded a contract. **FINAL PROPOSALS NOT RECEIVED BY THE DATE AND TIME SPECIFIED IN SECTION 1.2 KEY ACTION DATES OR NOT SEALED, WILL BE REJECTED.**

### Errors in Final Proposals

An error in the Final Proposal may cause the rejection of that proposal; however, Covered California may, **AT ITS SOLE OPTION,** retain the proposal and make certain corrections. In determining if a correction will be made, Covered California will consider the conformance of the proposal to the format and content required by the RFP, and any unusual complexity of the format and content required by the RFP.

1. If the proposer's intent, as determined by Covered California, is clearly established based on review of the complete Final Proposal submittal, Covered California may at its sole option correct an error based on that established intent.
2. Covered California may at its sole option correct obvious clerical errors.
3. Covered California may at its sole option correct discrepancy/errors on the basis that if intent is not clearly established by the complete Final Proposal submittal, the Master Copy shall have priority over additional copies for verification purposes.
4. A proposer may modify a proposal after submission by withdrawing the original proposal and resubmitting a new proposal prior to the submission deadline. Proposer’s modifications offered in any other manner, oral or written, will not be considered.
5. A proposer may withdraw the proposal by submitting a written withdrawal request to Covered California, signed by the proposer or an authorized agent. A proposer may thereafter submit a new proposal prior to the proposal submission deadline. Proposals may not be withdrawn without cause after the proposal submission deadline.
6. Covered California may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties.
7. Covered California reserves the right to reject any/all proposals. Covered California is not required to award an agreement.
8. Before submitting a response to this solicitation, proposers should review, correct all errors, and confirm compliance with the RFP requirements.
9. All proposals must be based on the Model Contract provided with this solicitation (Scope of work provided in Section 3, and contract General Terms and Conditions provided in Attachment 2). Proposers must submit as part of their response any exceptions to the Model Contract that they wish to negotiate. Proposer’s exceptions must be documented in an attachment labeled “Proposal Contract Exceptions.” All Model Contract exceptions must be included in the Proposer’s proposal at the time of its submission. No additional exceptions may be presented during contract negotiations.
10. No oral understanding or agreement shall be binding on either party.

### Submission of Final Proposals

1. Preparation: Proposals are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc., are not necessary or desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and completeness and clarity of content.
2. Proposer’s Cost: Costs for developing proposals or attending Proposer conferences are entirely the responsibility of the proposer and shall not be chargeable to Covered California.
3. Completion of Proposals: Proposals must be complete in all respects as described in the requirements established within the RFP. A Final Proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. A Final Proposal must be rejected if any such defect or irregularity constitutes a material deviation from the RFP requirements. The Final Proposal must contain all items required in the RFP.
4. False or Misleading Statements: Proposals which contain false or misleading statements, or which provide references which do not support an attribute or condition claimed by the Proposer, may be rejected. If, in the opinion of Covered California, such information was intended to mislead Covered California in its evaluation of the proposal, and the attribute, condition, or capability is a requirement of this RFP, it will be the basis for rejection of the proposal.

Issuance of this RFP in no way constitutes a commitment by Covered California to award an agreement. Covered California reserves the right to reject any or all proposals received if Covered California determines that it is in Covered California’s best interest to do so. Covered California may reject any proposal that is conditional or incomplete. Assumptions made by the Proposer in responding to this RFP do not obligate Covered California in any way. Additionally, assumptions may make the proposal conditional and be the cause for the proposal to be rejected. Responses to this RFP will be assessed based on determining the “Best Value.” The SOW and the proposal will be made a part of the resulting Agreement.

### Protest

A protest may be submitted according to the procedures set forth below. If a proposer has submitted a proposal which (s)he believes to be totally responsive to the requirements of the Request for Proposal and believes the proposer should have been selected, according to Section 6.3 - Evaluation Criteria, and the proposer believes Covered California has incorrectly selected another proposer for the award, the proposer may submit a protest of the selection as described below. Protests regarding selection of the “successful proposer” will be heard and resolved by Covered California’s Executive Director.

All protests must be made in writing, signed by an individual who is authorized to contractually bind the proposer, and contain a statement of the reason(s) for protest, citing the law(s), rule(s), regulation(s), or procedure(s) on which the protest is based. The protester must provide facts and evidence to support the claim. Certified or registered mail must be used unless delivered in person, in which case the protester should obtain a receipt of delivery. The final day to receive a protest is five (5) business days after vendor selection. For mail protest, the deadline compliance is determined by the post date. For a protest that is delivered in person, the deadline compliance is determined by the date of delivery. Protests must be mailed or delivered to:

|  |
| --- |
| **Mailing Address:** |
| Covered California |
| Attn: Peter Lee, Executive Director |
| 1601 Exposition Blvd. |
| Sacramento, CA 95815 |

### Disposition of Proposals

Upon proposal opening, all documents submitted in response to this RFP will become the property of Covered California, and subject to Government Code 100508, at Covered California’s sole discretion, may be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.

### Agreement Execution and Performance

Performance shall start no later than the date set forth in the RFP by Covered California after all approvals have been obtained and the agreement is fully executed. Should the Contractor fail to commence work at the agreed upon date and time, Covered California, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to Covered California for the difference between Contractor’s proposal price and the actual cost of performing work by the second lowest proposer or by another proposer.

All performance under the agreement shall be completed on or before the termination date of the executed contract agreement.

### Subsequent Solicitation

At Covered California’s sole discretion, after the contract award has been made and the agreement has been executed, if the agreement is terminated with or without cause after performance has begun, Covered California may engage the next-highest-ranked proposer without performing a subsequent solicitation.

### Addition or Subtraction of Services

Notwithstanding the expiration of the proposal submission deadline, at Covered California’s sole discretion, the scope of work may be modified to add or remove services through an addendum. If proposals have been submitted at the time Covered California posts the addendum, Covered California may restrict responses to the addendum so that only those entities that have submitted proposals in response to the initial Request for Proposal may respond to the addendum with the modified services.

## MINIMUM QUALIFICATIONS

### Respondent’s Minimum Qualifications

* 1. Be an audit organization.
  2. Have three (3) years of experience with conducting program compliance audits in accordance with the Generally Accepted Government Auditing Standards (GAGAS) issued by the Comptroller General of the United States, also known as the Yellow Book standards.

### Respondent’s Desirable Qualifications

1. Be knowledgeable of the Affordable Care Act and its implementing regulations, including the establishment of State Exchanges and their reporting requirements.
2. Have five (5) years of experience in providing similar auditing services to government agencies.

### Reassignment of Personnel

1. The Contractor shall not reassign key personnel (project/site director, supervisors, training lead, technical lead) assigned to the Agreement during the term of the Agreement without prior written approval of Covered California. If a Contractor employee is unable to perform duties due to illness, resignation, or other factors beyond the Contractor’s control, the Contractor shall make every reasonable effort to provide suitable substitute personnel.
2. Resumes for substitute personnel shall be submitted to Covered California for approval.

## SCOPE OF WORK

### Background

Soon after the passage of national health care reform through the Patient Protection and Affordable Care Act of 2010 (ACA), California became the first state to enact legislation to establish a qualified health benefit exchange. The California state law is referred to as the California Patient Protection and Affordable Care Act (CA-ACA).

The goals and objectives of Covered California are to:

* Reduce the number of uninsured Californians by creating an organized, transparent marketplace for Californians to purchase affordable, quality health care coverage to claim available federal tax credits and cost-sharing subsidies, and to meet the personal responsibility requirements imposed under the federal act (ACA);
* Strengthen the health care delivery system;
* Serve as an active purchaser, including creating competitive processes to select participating carriers and other contractors;
* Require that health care service plans and health insurers issue coverage in the individual and small employers markets and compete on the basis of price, quality, and service (and not on risk selection); and
* Meet federal and state law requirements, guidance and regulations.

Covered California is an independent public entity within California State Government. It is governed by a five member board appointed by the Governor and Legislature. Four of the members are appointed for four year terms, two by the Governor, one by the Senate Rules Committee and one by the Speaker of the Assembly. The California Secretary of Health and Human Services is a voting ex-officio member of the Board. The Board elected the California Secretary of Health and Human Services Agency as Chair, signaling its intention to actively coordinate and collaborate with existing state agencies involved in providing health coverage to Californians.

Covered California works in close partnership with the:

* Department of Health Care Services, which oversees and administers the California’s Medicaid Program (Medi-Cal) and other specifically focused health programs;
* The two agencies that regulate health insurance in California, the Department of Managed Care and Department of Insurance; and
* A broad range of stakeholders whose constituencies will be impacted by health care reform.

The purpose of this solicitation is to procure a contractor to perform a programmatic audit for the calendar year ending December 31, 2014. The audit will be conducted in accordance with the Generally Accepted Government Auditing Standards (Yellow Book). This programmatic audit will assess Covered California compliance with Title 45, Code of Federal Regulations (45 CFR) Part 155, Subparts C, D, E, and K for both the Individual Market and the Small Business Health Options Program (SHOP), and with the privacy and security standards stipulated at 45 CFR 155,260(a(3).

Covered California reserves the right to retain the services of the organization resulting from this RFP to assist with other relative activities and related projects embarked upon by Covered California during the established contract period, or through a contract amendment.

Read this document carefully. Responses to this RFP must be submitted to Covered California contact noted in Section 1.3.

### Reference Documents

For additional information about the Covered California and previous solicitations, please visit: <http://hbex.coveredca.com/solicitations/>

### Project Tasks

The following Statement of Work outlines Covered California’s overall expectations. Potential vendors will be asked to develop their own, more detailed approach in response to this procurement.

1. **Statement of Work:**

To comply with CFR 45 §155.1200General Program Integrity and Oversight Requirements, the Center of Consumer Information and Insurance Oversight of the Centers for Medicare & Medicaid Services (CMS) has adopted the State-Based Marketplace Annual Reporting Tool (SMART). Beginning April 1, 2014, all State-based Marketplaces (SBM), aka State Exchanges, are required to provide their annual reports by uploading information and documents onto the State Exchange Resource Virtual Information System. Amongst others, CMS requires SBMs to submit external annual financial and programmatic audits conducted by qualified external governmental or private independent auditing entities. Covered California has already engaged KPMG to conduct the financial and A-133 audit for the fiscal year ending June 30, 2014.

This contract is for a programmatic audit for the calendar year ending December 31, 2014. The audit shall be conducted in accordance with the Generally Accepted Government Auditing Standards (Yellow Book). This programmatic audit will assess the Exchange’s compliance with 45 CFR Part 155, Subparts C, D, E, and K for both the Individual Market and SHOP; and with the privacy and security standards stipulated at 45 CFR 155,260(a(3). The following table depicts the areas that the successful auditing firm shall review for both the Individual Market and SHOP.

**Table 1**

| **45 CFR Part 155** | **Elements to Review** |
| --- | --- |
| *Subpart C—General Functions of the Exchange* | * Processes and procedures for privacy and security of navigators. * Processes and procedures for addressing complaints. * Processes and procedures for providing assistance in culturally and linguistic appropriate manner. * Training standards. * Breaches of Security or Privacy by a navigator grantee. * Standards designed to prevent and mitigate any conflicts of interest, financial or otherwise. * Confirmation that assures funding for navigator grants does not come from federal funds. * Privacy and Security Safeguards. * Call center information provided to applicants in plain language and in a manner that is accessible to individuals with disabilities and individuals with limited English proficiency. |
| *Subpart D—Exchange Functions in the Individual Market: Eligibility Determinations for Exchange Participation and Insurance Affordability Programs* | * Standard operating procedures (SOPs) and processes for making accurate eligibility determinations in compliance with Federal regulations (including resolution of inconsistencies). * Management review/internal controls associated with the prevention of improper eligibility determinations. * Management review/internal controls associated with the identification of incorrect eligibility determinations. * Management review/internal controls associated with compliance with the requirements regarding confidentiality, disclosure, maintenance, and use of information. * Current and fully executed agreements with other entities specifying their respective responsibilities in connection with eligibility determinations, including (if appropriate) those related to exemptions. * Data and records maintenance relating to eligibility verifications and determinations. |
| *Subpart E—Exchange Functions in the Individual Market: Enrollment in Qualified Health Plans* | * SOPs and processes for making accurate enrollments in compliance with Federal regulations. * Management review/internal controls associated with the prevention of improper enrollment transactions, including processes to ensure that enrollees are receiving accurate advance premium tax credits (APTCs), cost-sharing reductions (CSRs), and premiums (and for correction of any discrepancies). * Compliance with Centers for Medicaid & Medicare Services (CMS)-issued Standard Companion Guides (e.g., ASC X12 820 and 834). * Processes to reconcile enrollment information with qualified health plan (QHP) issuers and CMS no less than on a monthly basis. * Data and records maintenance relating to enrollments. |
| *Subpart K—Exchange Functions: Certification of Qualified Health Plans* | * Process for recertification of QHPs. * Process for decertification of QHPs. * Policies and procedures for certification of health plans. |
| *45 CFR 155.260(a)(3)* | * Individual access to personally identifiable information (PII). * Correction and dispute of PII. * Individual choice of collection, use, and disclosure of their PII. * Collection, use, and disclosure of PII. * Data quality and integrity of PII * Safequards for PII * Accountatility for PII. |

The “State-based Marketplace Independent External Audit Technical Assistance” and “Frequently Asked Questions about the Annual Independent External Audit of State-based Marketplaces (SBMs)” issued on October 29, 2014 and June 18, 2014, respectively, by the Center for Consumer Information and Insurance Oversight of the Centers for Medicare and Medicaid Services of the U.S, Department of Health and Human Services provide requirements and guidelines for independent external auditors to conduct the annual programmatic audit for SBMs. The contractor shall adhere to all requirements and guidelines stated therein including scope, objectives, audit procedures, and reporting.

1. **Contractor Tasks and Responsibilities** – In conducting this programmatic audit of the Exchange for the calendar year ending December 31, 2014, the contractor shall:

• Conduct an Entrance Interview with the Exchange’s executive/management team.

• Conduct audit field work at the Exchange locations in the counties of Sacramento, Contra Costa, and Fresno.

• Conduct an Exit Interview with the Exchange’s executive/management team.

* Issue a draft audit report to the Exchange.
* Consider the Exchange’s response to the draft audit report.
* Issue a final audit report to the Exchange.

1. **Deliverables –**

The Contractor shall:

* Conduct an Entrance Interview with the Exchange’s Executive/Management Team - March 10, 2015.
* Conduct field work – by April 15, 2014.
* Conduct an Exit Interview with the Exchange’s Executive/Management Team - April 22, 2015.
* Issue a draft audit report to the Exchange – April 29, 2015.
* Consider Covered California’s response to the draft audit report and issue a final audit report to the Exchange - May 10, 2015.

The Exchange shall have the sole discretion to modify the dates of deliverables and the scope of the programmatic audit and so notify contractor in writing, in advance.

### Contract Completion Criteria

This contract will be considered complete when Covered California’s Project Manager has approved and accepted all assigned deliverables.

### Deliverable Acceptance Criteria

All concluded work must be submitted to Covered California for review and approval or rejection. Payment for all tasks performed under this Statement of Work will be based on time and materials. It will be Covered California’s sole determination as to whether any tasks have been successfully completed and are acceptable.

Throughout the contract, Covered California will review and validate services performed. In addition, Covered California’s Project Manager will verify and approve the Contractor’s invoices. Signed acceptance is required from Covered California Project Manager to approve an invoice for payment.

Deliverable acceptance criteria consist of the following:

1. Deliverable specific work was completed as specified and the final deliverable product/service was rendered.
2. Plans, schedules, designs, documentation, digital files, photographs and reports (deliverables) were completed as specified and approved.
3. All deliverable documentation and artifact gathering have been completed.
4. All deliverables are in a format useful to Covered California.
5. If a deliverable is not accepted, Covered California will provide the reason, in writing, within ten (10) business days of receipt of the deliverable.

### Contractor Roles and Responsibilities

The Contractor is expected to:

1. Designate a person to whom all project communications may be addressed and who has the authority to act on all aspects of the contract for services. This person will be responsible for the overall project and will be the contact for all invoice and Contractor staffing issues.
2. Provide written reports for review and approval by Covered California and formally respond to Covered California review findings as necessary.
3. Meet weekly with Covered California staff to discuss progress.
4. The Contractor will make its best efforts to maintain staff continuity throughout the life of the project. If, however, a substitution of key staff becomes necessary, the Contractor must submit a resume for review. All Contractor key staff substitutions must be approved in writing by Covered California’s Project Manager. Failure to receive the required approvals may result in termination of the contract.

### Covered California’s Roles and Responsibilities

Covered California will:

1. Designate Covered California contact person (Project Manager) to whom all Contractor communications may be addressed and who has the authority to act on all aspects of the services. This person will review the agreement and associated documents with the Contractor to ensure understanding of the responsibilities of both parties.
2. Provide access to business and technical documents as necessary for the Contractor to complete the tasks identified in this RFP.
3. Ensure appropriate resources are available to perform assigned tasks, attend meetings, and answer questions.
4. Ensure that decisions are made in a timely manner.
5. Provide meeting rooms as needed.
6. Identify and provide access to Subject Matter Experts to assist with the elaboration of technical requirements.
7. Provide appropriate technical resources to coordinate voice, data and cloud based systems.

### Project Assumptions and Constraints

1. Any modifications to tasks within the SOW of this contract will be defined, documented, and mutually agreed upon by the Contractor and Covered California’s Project Manager prior to starting work on the modified task. Amendments to the contract for tasks within the SOW are limited to an extension of time or tasks directly related to the SOW.
2. Covered California’s Project Manager reserves the right to renegotiate the services deemed necessary to meet the needs of this project according to Covered California’s priorities. Covered California and the Contractor must mutually agree to all changes. Renegotiated services outside the scope of the original contract will require contract amendment prior to commencement of work.
3. Covered California and the Contractor are mutually obligated to keep open and regular channels of communication in order to ensure the successful execution of this contract. Both parties are responsible for communicating any potential problem or issue to Covered California’s Project Manager and the Contractor’s engagement manager, respectively, within 48 hours of becoming aware of the problem.

### Contract Renewal

Covered California may, at its sole discretion, extend the term of the contract for up to two years though a formal amendment. If mutually agreed upon by the Covered California and the Contractor, this Agreement shall be amended to include additional services and funding.

### Payment and Invoicing

Payment to Contractor is contingent upon Covered California’s receiving funding from the Federal government. Covered California shall bear no liability or responsibility for payment to Contractor, even for services provided and delivered, in the event payment to Covered California from the Federal government is delayed, suspended, or terminated.

The Contractor may invoice Covered California only after the successful completion of work. The Contractor may not invoice Covered California for any costs exceeding the maximum amount identified to complete a deliverable.

## PROPOSAL RESPONSE CONTENT

Final proposal requirements are contained in the following areas that are described in detail in subsequent sections of this document:

1. Administrative Requirements
2. Understanding and Approach
3. Corporate Qualifications Summary
4. Staff Experience
   1. Staff Resumes
5. Past Projects Completed
6. Assumptions
7. Updated Model Contract
   1. Using the Exhibit A template (Attachment 2-B), include revised Exhibit A with updated Statement of Work
      1. Understanding and Description of the Tasks to be Performed (Work Plan)
   2. Costs: Include revised Exhibit B with Cost Worksheet (Attachments 2-C and 2-D)
   3. Include Exhibits C, D, E, F and G (Attachment 2-E through G) with track changes to Terms and Conditions. Submission of these Exhibits without track changes implies an acceptance to those Terms and Conditions.

### Proprietary Information

Any documentation submitted which has been marked “Confidential” or “Proprietary” will not be accepted. All documents submitted in response to this RFP will become the property of Covered California. Government Code Section 100508(a)(1) exempts from disclosure under the Public Records Act all deliberative processes, communications, or portions of negotiations with entities contracting or seeking to contract with Covered California and entities with which Covered California is considering a contract. Included within the exemption are score sheets and proposals submitted by Vendors for purposes of competing for a contract. Covered California may, at its discretion, waive this exemption.

### Administrative Requirements

Final Proposals will be assessed on a pass/fail basis to verify compliance with all Administrative Requirements.

#### All Final Proposals must be submitted within the timelines specified in Section 1.2 Key Action Dates of this RFP, and shall include the following Administrative Requirements in this order:

1. A cover letter signed by a person authorized to bind the company which also includes the company’s certification number(s) for SB and/or DVBE (if applicable).
2. A Certificate of Liability Insurance equal to or greater than $1,000,000.
3. Proof of Workers’ Compensation Liability Insurance.
4. A signed Payee Data Record form STD. 204 available at: <http://www.dgs.ca.gov/dgs/ProgramsServices/Forms/FMC/search/resultsNumber.aspx?number=204>
5. A signed Federal Debarment Certification (Attachment 1-B).
6. A completed certification form showing, upon award of the contract, the Proposer/Contractor agrees to provide a completed Title 22, California Code of Regulations 1230000 Statement of Economic Interests, Form 700 (Attachment

1-C).

1. A completed Darfur Contracting Act Certification (Attachment 1-G).

### Technical Requirements

In addition to the Administrative Requirements, all Final Proposals must include:

#### Understanding and Approach

Include a description of your understanding of the project's goals, emphasizing your understanding of the objectives and the major activities that must be performed to complete the work. Discuss your strategy for providing the services outlined in the SOW within the time period allocated for that task. Provide a table showing hours per week by person covering the contract term. Include your expectations of all entities outside your own team. Provide the assumptions used to develop the response (no more than four pages).

#### Corporate Qualifications Summary

Describe and provide examples of the company’s overall organizational capability and resources as they relate to the general requirements set forth in this RFP’s Scope of Work (SOW), including the following (maximum of four pages):

1. Ability to manage the project and the risks involved with the project.
2. Ability to complete projects on time and within budget.
3. Ability to provide quality deliverables.
4. Evidence of the firm’s experience performing the services outlined in this solicitation, including the total number of years the firm has been providing the services outlined in the SOW.

#### Engagement Team Qualifications

Describe the qualifications of each of the members of the proposed engagement team. Identify the role that each member is expected to play and describe the experience, education, knowledge, and skills each member possesses as it relates to their proposed role (no more than four pages, not including resumes).

Proposer must identify the key staff that will be the point of contact for Covered California and the percentage of time that staff will be dedicated.

#### Resumes

Provide a resume of the relevant experience for each contractor key staff person proposed. For each experience citation provided on a resume, the resume must include:

1. Total Duration: Indicate the start (month/year), end (month/year), and duration (total number of years and months) for each job experience submitted;
2. Description of Specific Experience: A complete description of the relevant experience, including identification of the client, name of the project, roles and responsibilities of the individual, and types of services provided by the individual.

#### Past Projects Completed

Describe in a narrative no more than five (5) projects your company has completed in the last two years that relate to the tasks listed in the SOW (no more than four pages).

#### Assumptions

Document any assumptions the Proposer is making about the SOW, the responsibilities of the Proposer and Covered California, and any other issues that are relevant to the Proposer’s proposal and ability to do the work for the proposed cost. (no more than four pages)

#### Model Contract Response

The template for the model contract portion of the response is contained in Attachment 2. The Proposer will provide an updated statement of work using the tasks identified in Section 3 using track changes on Attachment 2-B.

Include a description of your understanding of the statement of work (Section 3). Emphasize your understanding of Covered California’s objectives and the major activities that must be performed to complete the work. Describe the activities you will perform to complete the required work. Include your expectations of all entities outside your own team.

Provide a high-level work plan for this effort. The work plan must identify major activities, estimated start and end dates, and deliverable milestones.

The response must include any additional information that the Proposer deems necessary to explain how the Proposer intends to meet Covered California’s requirements. Include the following as appropriate:

1. Overview of the required tasks and outcomes.
2. Description of how the tasks will be performed.
3. Work plan for each task.
4. Samples of work from other projects, or outlines of what deliverables are proposed for the required tasks.

Exhibit B is the budget and payment provisions portion of the contract. Using the cost worksheet, Attachment 2-D, provide costs of the proposal in a table consistent with the one shown in Attachment 2-D. The budget shall not exceed the total costs that the proposer listed in Section 1.4. Responses that exceed the total costs listed in Section 1.4 will not be considered for selection. Provide the cost per hour to be used as the basis for any additional work, should the agreement be amended as described in the General Provisions section of this RFP.

1. The Cost Worksheet has been provided as a Microsoft Word Document. Proposers are to complete the Worksheet using the provided template. List the tasks and deliverables outlined in your work plan. Identify each resource that will be assigned to a task, including the resource’s hourly rate, the estimated number of hours that the resource is expected to expend on the task, and total cost.

Each primary task is expected to result in one or more deliverables, but many sub-tasks may not be associated with a specific deliverable.

Exhibits C, D, E, F and G are the standard terms and conditions between Covered California and all Contractors. Any changes to these terms and conditions should be made with track changes and submitted as part of the proposer’s response. Submission of these Exhibits with no changes implies acceptance of these terms and conditions.

## REVIEW OF FINAL PROPOSALS FOR AWARD/SELECTION CRITERIA

### Written Responses to this RFP will be evaluated in three phases

Phase 1- Administrative Requirements. The Selection Team will review responses to the Administrative Requirements.

Phase 2 – Technical Requirements. Review of the understanding and approach, corporate qualifications, engagement team qualifications, resumes, and past projects completed.

Phase 3 – Cost Proposal. Review of the competitive rate proposed.

### Evaluation Criteria

Evidence of extensive previous experience in similar complex, short deadline efforts will receive significant consideration in the evaluation process, as will demonstrate experience related to the Scope of Work*.*

The table below lists the evaluation categories and the weights each will carry in the overall evaluation of each offer:

|  |  |  |
| --- | --- | --- |
| **Criteria** | **Weight** | **Points** |
| Administrative Requirements | 10% | 100 |
| Understanding and Approach | 20% | 200 |
| Corporate Qualifications | 10% | 100 |
| Engagement Team Qualifications and Resumes | 10% | 100 |
| Past Projects Completed | 10% | 200 |
| Cost | 30% | 300 |
| **Totals** | **100%** | **1000** |

|  |  |
| --- | --- |
| **Preference Programs if applicable** | **Points** |
| Small Business | 15 |
| DVBE Participation 5% or Over | 15 |
| DVBE Participation 4% to 4.99% inclusive | 12 |
| DVBE Participation 3% to 3.99% inclusive | 9 |
| DVBE Participation 2% to 2.99% inclusive | 6 |
| DVBE Participation 1% to 1.99% inclusive | 3 |

The response that is most highly rated after applying the weighted evaluation criteria described above shall be recommended for selection. If two or more of the highest rated responses are evaluated as substantially equal after applying the weighted evaluation criteria described above, then the lowest cost response from among the substantially equal responses shall be recommended for selection.

#### Understanding and Approach

Scoring of this factor shall be based upon the Evaluation Team's assessment of the Proposer's understanding of and insight into the challenges, issues, and risks faced by Covered California as depicted in the Scope of Work. Evaluators will assign scores based upon information contained in the Proposer’s Understanding and Approach Narrative.

#### Corporate Qualifications

Scoring of this factor will be based upon the Evaluation Team's assessment of corporate resources, capacity, and historical track record as they relate to the Scope of Work. Evaluators will assign scores based upon the Proposer's Corporate Qualifications narrative.

#### Engagement Team Qualifications

Covered California seeks a team of highly qualified auditors to assess its programmatic compliance in myriad areas. The following sections describe the evaluation and scoring of staff qualifications.

1. Staff Experience and Credentials

Scoring of this factor shall be based upon the Evaluation Team's assessment of the breadth, depth, and relevance of each proposed team member's experience and credentials. Evaluators will assign scores based upon information contained in Resumes and Staff Experience Summary Forms. The Evaluation Team will consider:

1. Demonstrated capacity to successfully assume responsibility comparable to that proposed for the individual in the project engagement;
2. General breadth and extent of experience, as indicated by the number of projects, and duration of individual involvement in each;
3. Relevance of experience as indicated by the scope and subject matter of project experience; and
4. Relevance of education, training, and certifications.

### Past Projects Completed

Scoring of this factor will be based upon the Evaluation Team's assessment of the breadth, depth, and relevance to the Scope of Work requirements, as well as corporate resources and capacity as indicated by the characteristics projects previously completed.

### Scoring Criteria

Evaluators will assign technical points to all categories using these scoring criteria:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Rating** | **Relation to Requirements** | **Strengths** | **Deficiencies** | **Weaknesses** | **Likelihood of Success** | **Score** |
| Excellent | Superior attainment of all requirements | Numerous and significant in key areas | None | Minor, if any | Very High | 10.0 |
| Good | Expected to meet all requirements | Some and significant in key areas | None | Minor, but are far outweighed by strengths | High | 7.5 |
| Acceptable | Capable of meeting all requirements | Some in non-key areas | Minor | Minor, but are outweighed by strengths | Fair | 5.0 |
| Marginal | May not be capable of meeting all requirements | None, or some that are outweighed by weaknesses or deficiencies | Significant | Significant | Poor | 2.5 |
| Unacceptable | Not likely to meet all requirements | None, or some that are far outweighed by weaknesses or deficiencies | Needs major revision | Needs major revision | None | 0 |

### Cost Score

Cost (300 points)

Each proposer’s cost score will be calculated based on the project cost (s)he offered at Section 1.4 Contract Amount..

## PREFERENCE PROGRAMS

### Small Business Preference

Small Business Regulations: This RFP does not include a minimum Small Business (SB) participation preference. However, proposers are encouraged to sub-contract with SB.

1. Small Business Preferences: Proposers claiming the 5% preference must be certified by California as a small business or must commit to subcontract at least 25% of the net bid price with one or more California Certified Small Businesses (CCSB). Certification must be obtained no later than 5:00 p.m. on the bid due date.

Section 14835, et seq. of the California Government Code (GC) requires a 5% preference be given to proposers who qualify as a SB. The rules and regulations of this law, including the definition of a small business for the delivery of goods and services, are contained in California Code of Regulations (CCR’s), Title 2, Section 1896, and et seq. The SB preference is for California-based Certified SB only.

To claim the CCSB preference, which may not exceed 5% for any bid, the firm must have its principal place of business located in California, have a complete application (including proof of annual receipts) on file with the State Office of Small Business and DVBE Services (OSDS) by 5:00 p.m. on the bid due date (see Section 1.2) and be verified by such office.

### Disabled Veteran Business Enterprise (DVBE) – Declaration & Program Incentive

This RFP does not require proposers to meet the minimum DVBE participation percentage or goal. However, a proposer must complete and submit the **Proposer Declaration** – Attachment 1-I with its proposal package. Failure to complete and submit the required attachment as instructed may render the bid non-responsive. Pursuant to Military and Veterans Code Section 999.2, each State department has a participation goal of not less than 3% for disabled veteran business enterprises. These goals apply to the overall dollar amount expended each year by the awarding department.

#### Commercially useful function

**Only State of California, Office of Small Business and DVBE Services (OSDS), certified DVBEs** who perform a Commercially Useful Function (CUF) relevant to this solicitation may be used to satisfy the DVBE participation goal. The criteria and definition for performing a CUF are below. When responding to this RFP, proposers will need to verify each DVBE subcontractor’s certification with OSDS to ensure DVBE eligibility.

**CUF Definition** California Code of Regulations, Title 2, § 1896.61(l): The term "DVBE contractor, subcontractor or supplier" means any person or entity that satisfies the ownership (or management) and control requirements of §1896.61(f); is certified in accordance with §1896.70; and provides services or goods that contribute to the fulfillment of the contract requirements by performing CUF.

As defined in Military Veterans Code §999, a person or an entity is deemed to perform a "CUF" if a person or entity does **all** of the following:

1. Is responsible for the execution of a distinct element of the work of the contract.
2. Carries out the obligation by actually performing, managing, or supervising the work involved.
3. Performs work that is normal for its business services and functions.
4. Is not further subcontracting a portion of the work that is greater than that expected to be subcontracted normal industry practices.

A contractor, subcontractor, or supplier will not be considered to perform a CUF if the contractor's, subcontractor's, or supplier's role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of DVBE participation.

Attachment 1

1-A: Proposal Checklist

1-B: Federal debarment, suspension, ineligibility and voluntary exclusion – certification

1-C: FORM 700 Statement of Economic Interest Certification

1-D: Staff Experience Form

1-E: Proposer Instructions

1-F: Payee Data Record

1-G: Darfur Certification

1-H: DVBE Declaration

1-I: Proposer Declarations

Attachment 2

2-A: Standard 213

2-B: Exhibit A – Scope of Work

2-C: Exhibit B – Budget Provisions

2-D: Exhibit B – Attachment 1, Cost Worksheet

2-E: Exhibit C – General Terms and Conditions

2-F: Exhibit D – Special Terms and Conditions

2-G: Exhibit E – Additional Provisions

2-H: Exhibit G – Privacy Addendum