



**COVERED**  
**CALIFORNIA**

**California Health Benefit Exchange  
(Covered California)  
RFP 2015-15: Vision Plan**

**Addendum #2  
December 4, 2015  
~~November 30, 2015~~  
~~November 17, 2015~~**

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## 1. INTRODUCTION

### 1.1 Overview

You are invited to review and respond to this Request for Proposal (RFP). To submit a response 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). By submitting an offer, your organization 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.

### 1.2 Key Action Dates

Respondents 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 Time (PT).

#### KEY ACTION DATES

Request for Response Release Date	Tuesday, November 17, 2015
Respondents' Questions Due Date	<del>Monday, November 23, 2015</del> Monday, December 7, 2015 by 3:00 PM
State Responses Posted By	<del>Wednesday, December 2, 2015</del> Week of December 7, 2015
Responses Due Date	<del>Wednesday, December 9, 2015</del> Monday, December 14, 2015 by 3:00 PM
Notice of Intent to Award	Week of <del>December 21, 2015</del> December 28, 2015
Estimated Term Dates	January 15, 2016 to December 31, 2016

### 1.3 Contact

John Chermesino  
California Health Benefit Exchange  
E-mail address: HBEXSolicitation@covered.ca.gov

1601 Exposition Blvd.  
Sacramento, CA 95815

Five (5) copies of the Final Responses are due by the stated deadline to the contact at the mailing address indicated in Section 1.3.

### 1.4 Contract Application and Implementation Fees

**A \$1,000 Application Fee must accompany your response. Check should be made payable to "California Health Benefit Exchange." This is a non-refundable fee. Respondents that fail to include their \$1,000 Application Fee will be rejected.**

**If you are selected to participate in the program, a \$10,000 Implementation Fee is required before the link to your organization's website will be added to the Covered California website.**

## **1.5 Respondents' Questions or Concerns**

Respondents shall submit any questions or concerns regarding this RFP by the due date and time specified in the Key Action Dates table in Section 1.2. Only e-mail inquiries addressed to the contact person listed in Section 1.3 will be accepted. Respondents shall provide specific information to enable the state to identify and respond to their questions. When submitting inquiries, please reference the solicitation number (RFP 2015-15) in the Subject line. At its discretion, Covered California may contact an inquirer to seek clarification of any inquiry received. Respondents that fail to report a known or suspected problem with the RFP or fail to seek clarification or correction of the RFP, shall submit a response at their own risk.

## **1.6 Submission of Final Responses**

1. **Preparation:** Responses 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 neither necessary nor desired. Emphasis should be placed on conformance to the RFP instructions, responsiveness to the RFP requirements and completeness and clarity of content.
2. **Respondents' Cost:** Costs for developing responses are entirely the responsibility of Respondents and shall not be chargeable to Covered California.
3. **Completion of Responses:** Responses must be complete in all respects as described in the requirements established within the RFP. A Final Response 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 Response must be rejected if any such defect or irregularity constitutes a material deviation from the RFP requirements as determined by Covered California, in its sole discretion. The Final Response must contain all items required in the RFP.
4. **False or Misleading Statements:** Responses that contain false or misleading statements, or that provide references which do not support an attribute or condition claimed by the Respondent, may be rejected. If, in the opinion of Covered California, such information was intended to mislead Covered California in its evaluation of the response, and the attribute, condition, or capability is a requirement of this RFP, it will be the basis for rejection of the response.

Issuance of this RFP in no way constitutes a commitment by the State of California to award a contract. Covered California reserves the right to reject any or all offers received if Covered California determines that it is in Covered California's best interest to do so. Covered California may reject any offer that is conditional or incomplete. Assumptions made by the Respondent in responding to this RFP do not obligate Covered California in any way.

Additionally, assumptions may make the offer conditional and may be cause for the offer to be rejected.

## 1.7 Format of Responses

This RFP requires Respondents to submit a final phase response that shall contain all required Administrative and Technical Attachments and Exhibits submitted in a sealed envelope or container when shipped to Covered California. The sealed package must be plainly marked with the (1) RFP number and title, (2) Respondent name and address, and (3) must be marked "DO NOT OPEN", as shown in the following example:

**RFP 2015-15: Vision Plan  
Attention: John Chermesino  
California Health Benefit Exchange  
1601 Exposition Blvd.  
Sacramento, CA 95815  
DO NOT OPEN**

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

Respondent shall submit five (5) sets of hardcopies for all Administrative/Technical Attachments and Exhibits in the sealed Envelope or Container. In the Respondent's best interest, one (1) set should be titled "Master Copy." Each copy shall be titled and unbound. Respondent shall also provide a CD-ROM with the appropriate Administrative and Technical Attachments and Exhibits in searchable text format (e.g., Microsoft® Word, searchable Adobe® PDF).

**Responses not submitted under sealed cover may be rejected.**

## 1.8 Rejection of Responses

Deviations, whether or not intentional, may cause a response to be non-responsive and not considered. Covered California may reject any or all responses and may waive any immaterial deviation or defect in a response. Covered California's waiver of any immaterial deviation or defect shall in no way modify the RFP documents or excuse the Respondent from full compliance with the RFP specifications if awarded a contract. Final Responses not received by the date and time specified in Section 1.2 Key Action Dates or not sealed will remain unopened and will be maintained by the Contact listed in Section 1.3 separately from responses that have been timely received.

Responses received after expiration of the deadline shall not be submitted to the Evaluation Team nor considered except on written approval of the Executive Director, or his/her authorized designee, specifying the reason(s) for acceptance and consideration of the response(s) received after expiration of the deadline.

## 1.9 Errors in Final Responses

An error in the Final Response may cause the rejection of that response; however, Covered California may, at its sole option, retain the response and make certain corrections. In determining if a correction will be made, Covered California will consider the conformance of the response 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 Respondent's intent, as determined by Covered California, is clearly established on review of the complete Final Response 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. A Respondent may withdraw its response by submitting a written withdrawal request to Covered California, signed by the Respondent or an authorized agent. A Respondent may thereafter submit a new response prior to the response submission deadline. Responses may not be withdrawn without cause subsequent to the response submission deadline. Respondent modifications offered in any other manner, oral or written, will not be considered.
4. Covered California may modify the RFP prior to the response submission deadline by the issuance of an addendum to the Exchange Solicitations website, which can be accessed at: <http://hbex.coveredca.com/solicitations/>
5. Covered California reserves the right to reject any response that does not satisfy the requirements set forth in this RFP. Covered California is not required to award a contract. Before submitting a response to this RFP, Respondents should review, correct all errors, and confirm compliance with the RFP requirements.
6. All responses must be based on the Model Contract provided with this solicitation (SOW identified in Section 3, and contract General Terms and Conditions provided in Model Contract). Respondents must submit as part of their response any exceptions to the Model Contract they wish to negotiate. Exceptions must be documented in an attachment labeled "Model Contract Exceptions." All Model Contract exceptions must be included in the Respondent response at the time of its submission. **No additional exceptions may be presented during contract negotiations.**
7. No oral understanding or contract shall be binding on either party.

## 1.10 Protest

A protest may be submitted according to the procedures set forth below. If a Respondent has submitted a response which it believes to be totally responsive to the requirements of the solicitation process and believes the Respondent should have been selected, according to Section 5.1 - Evaluation Criteria - the Respondent may submit a protest of the selection as described below. Protests regarding selection 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 Respondent, and must contain a statement of the reason(s) for protest, citing the law, rule, regulation, or procedures on which the protest is based. The protester must provide facts and evidence to support their claim. Certified or registered mail must be used unless delivering in person, in which case the protester should obtain a receipt of delivery. The final day for protest receipt is five (5) business days following announcement of Respondent selection. Protests must be mailed or delivered to:

<b>Mailing Address:</b>
California Health Benefit Exchange
Attn: Peter Lee, Executive Director
1601 Exposition Blvd.
Sacramento, CA 95815

### 1.11 Disposition of Responses

Upon response opening, all documents submitted in response to this RFP will become the property of the State of 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, but not limited to it, are score sheets and responses submitted by Respondents and any subsequent evaluations. Covered California may, at its discretion, waive this exemption.

### 1.12 Contract Execution

Performance shall begin no later than the express date set forth in the RFP by Covered California after all approvals have been obtained and the contract is fully executed.

### 1.13 Addition or Subtraction of Services

Notwithstanding that responses have been submitted, at Covered California's sole discretion, the SOW may be modified to add or remove services through an addendum. If responses 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 responses in response to the initial RFP may respond to the addendum with the modified services.

## 2. MINIMUM QUALIFICATIONS/REQUIREMENTS

### 2.1 Respondents' Minimum Qualifications/Requirements

1. Respondents must hold a license to offer individual or group vision plans in the State of California and must be in good standing with the applicable regulatory agency.

2. Respondents must have filed and approved rates and plans by the applicable regulatory agency to offer and transact the business of insurance and already be providing coverage within the State of California during 2015.
3. Respondents must either be domiciled in the State of California, or at minimum have a call center and claim processing capabilities in the State of California.
4. Respondent must have a dedicated program manager and primary contact for Covered California Business.
5. Respondent must provide a customer service center adequately staffed to handle questions and assist consumers. At a minimum, vision plan customer service center hours shall be Monday – Friday from 8am – 6pm, Pacific Time. Customer service center must offer a toll free number for consumers with staff specifically dedicated to Covered California Business.
6. Respondent must pay market-level agent commissions; pay the same agent commission on products sold via the Exchange link as on all similar “off Exchange” products.
7. Respondent must agree to Covered California’s contract terms.
8. Respondent must be able to invoice enrollees and collect premiums and must be able to track and report on a quarterly basis the number of enrollees purchasing a vision plan via the Exchange link by month.
9. Respondent must pay a commission to Covered California for enrollees, equal to 5% of the annual policy premium.

## **2.2 Respondents’ Desirable Qualifications**

Desirable Qualifications include:

1. The ability to offer vision plans throughout California.
2. Respondent has offered vision coverage to enrollees in California for a minimum of three years.

### **2.2.1 Engagement Team Qualifications**

Covered California is seeking experienced vision plans for this program. Respondent must demonstrate that assigned staff possess the experience, education, knowledge and skills required for the successful implementation and management of this program.



### 3. SCOPE OF WORK

#### 3.1 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 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 RFP is to:

Help consumers connect with and obtain coverage from quality vision plans. Covered California is conducting this Request for Proposal (RFP) to solicit applications from vision plans interested in offering coverage to Covered California consumers. Covered California will select vision plans through this RFP process. Covered California will provide a link for consumers from the Covered California website to selected vision plans' websites.

### **3.2 Reference Documents**

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

### **3.3 Scope of Work**

See attachment Exhibit A - Scope of Work, for a detailed description of the services and work to be performed as a result of this procurement.

### **3.4 Contractor Roles and Responsibilities**

The Contractor shall:

1. Designate a person to whom all program communications may be addressed. This person will be responsible for the overall implementation and oversight of this program and will be Covered California's primary contact for all invoice, reporting and Contractor issues.
2. Provide written reports for review and approval by Covered California and formally respond to Covered California's questions and concerns as required.

### **3.5 Covered California's Roles and Responsibilities**

Covered California shall:

1. Designate a Covered California contact person (Program Manager) to whom all Contractor communications may be addressed.
2. Ensure decisions are made in a timely manner.
3. Promptly respond to Contractor's questions and concerns.

### **3.6 Program Assumptions and Constraints**

1. Any modifications to tasks within the SOW of the contract will be defined, documented and mutually agreed upon by the Contractor and Covered California's Program Manager.
2. Covered California's Program Manager reserves the right to renegotiate the services deemed necessary to meet the needs of this program 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 Program Manager and the Contractor's engagement manager, respectively, within 48 hours of becoming aware of the problem.

### 3.7 Contract Amendment

Covered California may, at its sole discretion, extend the term of the contract for an additional year.

### 3.8 Commission To Be Paid To The Exchange

Contractor shall report enrollment and premium amounts on a quarterly basis. Contractor shall pay Covered California a 5% commission on the policy premium for Covered California enrollees. This amount will be due on a quarterly basis on receipt of an invoice from Covered California.

## 4. RESPONSE CONTENT

Final Response requirements are contained in the following areas, each of which are described in detail in subsequent sections of this document:

1. Administrative Requirements
2. Understanding and Approach
3. Engagement Team Qualifications
4. Assumptions
5. Vision Plan Questionnaire
6. Updated Model Contract
  - a. Using the Exhibit A template (Model Contract), include revised Exhibit A with updated SOW
    - i. Understanding and Description of the Tasks to be Performed (Work Plan)
  - b. Include Exhibits C, D, and E (Model Contract) with track changes to Terms and Conditions. Submission of these Exhibits without track changes implies an acceptance to those Terms and Conditions.

### 4.1 Proprietary Information and Confidential Status of Responses

Any documentation submitted marked “Proprietary” or “Trade Secrets” may not be accepted. Pursuant to Evidence Code Section 1040, Covered California will consider responses to this solicitation as “official information” acquired in confidence and will not disclose the information received as a public record, unless it is already available to the public, without receiving prior written permission from the Respondent.

### 4.2 Administrative Requirements

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

#### 4.2.1 *All Final Responses must be submitted within the timelines specified in Section 1.2 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 to a resulting contract, if awarded;
2. A Certificate of Liability Insurance equal to or greater than \$1,000,000;

3. Proof of Workers' Compensation Liability Insurance;
4. A signed Federal Debarment Certification (Attachment 2);
5. Completed IRS Form W-9 request for Taxpayer Identification Number and Certification (Attachment 3).

### **4.3 Technical Requirements**

In addition to the Administrative Requirements, all Final Responses must:

#### **4.3.1 *Understanding and Approach***

Include a description of your understanding of the program's goals, emphasizing your understanding of the objectives and the major activities that must be performed to implement and manage this program. Discuss your strategy for providing the services outlined in the SOW. Provide the assumptions used to develop the response (no more than 2 pages).

#### **4.3.2 *Engagement Team Qualifications***

Describe the qualifications of each member of the proposed engagement team. Identify the role each is expected to play and describe the experience, education, knowledge and skills each possesses as it relates to their proposed role.

Respondent must identify key staff who will be the point of contact for Covered California (no more than 3 pages)

#### **4.3.3 *Assumptions***

Document any assumptions the Contractor is making about the SOW, the responsibilities of the Respondent and Covered California, and any other issues that are relevant to the Respondent's offer and ability to do the work required for this program (no more than 2 pages).

#### **4.3.4 *Vision Plan Questionnaire***

The Vision Plan Questionnaire will be evaluated and scored based on responses and the geographic and service needs of Covered California. (See Attachment 4)

## **5. REVIEW OF FINAL RESPONSES FOR AWARD/SELECTION CRITERIA**

### **5.1 Evaluation Criteria**

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

<b>Criteria</b>	<b>Weight</b>	<b>Points</b>
Administrative Requirements		Pass or Fail
Understanding and Approach	20%	200
Engagement Team Qualifications	20%	200
Vision Plan Questionnaire	60%	600
<b>Totals</b>	<b>100%</b>	<b>1000</b>

The Covered California Evaluation Team will evaluate Respondent responses in these requirement areas:

1. **Understanding and Approach**
2. Engagement Team Qualifications
3. Vision Plan Questionnaire

#### **5.1.1.1 Understanding and Approach**

Scoring of this factor shall be based on the Evaluation Team's assessment of the Respondent's understanding of and insight into the challenges, issues and risks faced by Covered California as depicted in the SOW, and the feasibility, efficiency and expected effectiveness of the approaches offered by the Respondent to provide assistance to Covered California. Evaluators will assign scores based on information contained in the Respondent's Understanding and Approach Narrative. The Evaluation Team will consider:

1. Quality of the Respondent's approach in addressing scope of responsibilities and activities, including the Respondent's description of how they will provide the flexibility to address issues as they arise, while maintaining a high level of quality in approach;
2. Demonstrated understanding of the key characteristics of the program in general; and,
3. Respondent's ability to show an understanding of Covered California's needs and provide an overview of how this program will be implemented and managed.

#### **5.1.1.2 Engagement Team Qualifications**

Covered California seeks highly qualified staff to provide high-level program management support services as depicted in the SOW. The following sections describe the evaluation and scoring of staff qualifications.

1. Staff Experience and Credentials

Scoring of this factor shall be based on 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 on information contained in Staff Experience Summary.

### 5.1.1.3 Vision Plan Questionnaire

The Vision Plan Questionnaire (Attachment 4) will be evaluated and scored based on the geographic and service needs of Covered California. Respondent’s answers will also be compared and evaluated against the responses received from other Respondents.

### 5.1.2 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

## Attachments

Attachment 1: Response Checklist

Attachment 2: Federal debarment, suspension, ineligibility and voluntary exclusion – certification

Attachment 3: IRS Form W-9 Request for Taxpayer Identification Number and Certification

Attachment 4: Vision Plan Questionnaire

Model Contract

Standard 213

Exhibit A – Scope of Work

Exhibit A, Attachment 1 – Vision Plan Design(s)

Exhibit B – Commission Payment and Reporting Requirements

Exhibit C – General Terms and Conditions

Exhibit D – Special Terms and Conditions

Exhibit E – Additional Provisions

Exhibit F – Privacy Addendum