



FSTATE OF ARKANSAS

Department of Human Services
Office of Procurement
700 Main Street
Little Rock, Arkansas 72201

REQUEST FOR PROPOSAL

RFP SOLICITATION DOCUMENT

SOLICITATION INFORMATION			
Solicitation Number:	710-24-0002	Solicitation Issued:	December 28, 2023
Description:	Arkansas Health Insurance Premium Payment (ARHIPP)		
Agency:	Department of Human Services, Division of Medical Services		
SUBMISSION DEADLINE			
Proposal Submission Date and Time	January 31, 2024, 1:00 p.m., Central Time	Proposal Opening Date and Time:	January 31, 2024, 2:00 p.m., Central Time
Proposals shall not be accepted after the designated bid opening date and time. In accordance with Arkansas Procurement Law and Rules, it is the responsibility of Contractors to submit proposals at the designated location on or before the bid opening date and time. Proposals received after the designated bid opening date and time shall be considered late and shall be returned to the Contractor without further review. It is not necessary to return "no bids" to the Office of Procurement (OP).			
DELIVERY OF RESPONSE DOCUMENTS			
Drop off Address:	Arkansas Department of Human Services Attn: Office of Procurement 700 Main Street Slot W345 Little Rock, AR 72201		
United States mail (USPS):	Arkansas Department of Human Services Attn: Office of Procurement P.O. Box 1437 Slot W345 Little Rock, AR 72203-1437		
Commercial Carrier (UPS, FedEx or USPS Exp):	Arkansas Department of Human Services Attn: Office of Procurement 112 West 8 th Street, Slot W345 Little Rock, AR 72201		
	Delivery providers, USPS, UPS, and FedEx deliver mail to OP's street address on a schedule determined by each individual provider. These providers will deliver to OP based solely on the street address. Prospective Contractors assume all risk for timely, properly submitted deliveries.		
Proposal's Outer Packaging:	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. <ul style="list-style-type: none"> ▪ Solicitation number ▪ Date and time of proposal opening ▪ Vendor's name and return address 		
OFFICE OF PROCUREMENT CONTACT INFORMATION			
OP Buyer:	Karrie Goodnight	Buyer's Direct Phone Number:	501-320-3906
Email Address:	DHS.OP.Solicitations@dhs.arkansas.gov	OP's Main Number:	501-396-6045
DHS Website:	https://humanservices.arkansas.gov/do-business-with-dhs		
OSP Website:	http://www.arkansas.gov/dfa/procurement/bids/index.php		

SECTION 1 – GENERAL INFORMATION AND INSTRUCTIONS

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

1.1 INTRODUCTION

This Request for Proposal (RFP) is issued by the Arkansas Department of Human Services (DHS), Office of Procurement (OP) for the Division of Medical Services (DMS) to obtain pricing and a contract for the maintenance, operations, development, and administration of the Arkansas Health Insurance Premium Payment (ARHIPP) program.

1.2 INTERGOVERNMENTAL/COOPERATIVE USE OF PROPOSAL AND CONTRACT

In accordance with Arkansas Code §19-11-249, this proposal and resulting contract is available to any State Agency or Institution of Higher Education that wishes to utilize the services of the selected proposer, and the proposer agrees, they may enter into an agreement as provided in this solicitation.

1.3 TYPE OF CONTRACT

- A. As a result of this RFP, OP intends to award a contract to a single Contractor.
- B. The term of this contract shall be for one (1) year. The anticipated start date for the contract is June 1, 2024. Upon mutual agreement by the Prospective Contractor and agency, the contract may be renewed by OP, on a year-to-year basis, for up to six (6) additional one-year terms or portions thereof.
- C. The total contract term shall not be more than seven (7) years.

1.4 ISSUING AGENCY

The Office of Procurement (OP), as the issuing office, is the sole point of contact throughout this solicitation process. Vendor questions regarding this Bid Solicitation should be made through the Issuing Officer as shown on page one (1) of this document.

1.5 BID OPENING LOCATION

Bids submitted by the opening date and time will be opened via video conference. DHS will publish a link to the live bid opening on the DHS website for public access. Individuals will not be permitted to attend in-person. If the bid opening cannot be held as scheduled due to technical or other issues, DHS will publish an updated schedule and video conference link on the [DHS website](#).

1.6 ACCEPTANCE OF REQUIREMENTS

- A. The words “**must**” and “**shall**” signify a Requirement of this solicitation and that the Contractor’s agreement to and compliance with that item is mandatory.
- B. A Contractor’s proposal will be disqualified if a Contractor takes exceptions to any Requirements named in this RFP.
- C. Contractor may request exceptions to NON-mandatory items. Any such request **must** be declared on, or as an attachment to, the appropriate section’s Agreement and Compliance Page. Contractor **must** clearly explain the requested exception and should reference the specific solicitation item number to which the exception applies. (See Agreement and Compliance Page.)
- D. DHS **must** not be required to accept any requested exceptions. Only exceptions expressly accepted by DHS will become part of the resulting contract.

1.7 DEFINITION OF TERMS

- A. Unless otherwise defined herein, all terms defined in Arkansas Procurement Law and used herein have the same definitions herein as specified therein.
- B. “Prospective Contractor”, means a responsible offeror who submits a proposal in response to this solicitation. “Prospective Contractor”, “Contractor”, “bidder”, “vendor” and “respondent” are used synonymously in this document.
- C. The terms “buyer” and “Issuing Officer” are used synonymously in this document.

- D. The terms "Request for Proposal", "RFP," "RFP Solicitation," "Bid Solicitation" and "Solicitation" are used synonymously in this document.
- E. "Responsive proposal" means a proposal submitted in response to this solicitation that conforms in all material respects to this RFP.
- F. "Proposal Submission Requirement" means a task a Prospective Contractor **shall** complete when submitting a proposal response. These requirements will be distinguished by using the term "shall" or "must" in the requirement.
- G. "Requirement" means a specification that a Contractor's commodity and/or service **must** meet or exceed in the performance of its contractual duties under any contract awarded as a result of this RFP. These specifications will be distinguished by using the terms "shall" or "must" in the requirement.
- H. "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 Department using such a contract.

1.8 RESPONSE DOCUMENTS

A. Original Technical Proposal Packet

The following items are Proposal Submission Requirements and **must** be submitted in the original Technical Proposal Response Packet.

1. A hard copy of the original *Technical Proposal Packet* **must** be received on or before the bid submittal date and time. Copy should not be two sided.
2. The Proposal Packet should be clearly marked "Original" and **must** include the following:
 - a. Original signed *Response Signature Page*. (See *Technical Proposal Packet*.)
 - b. Original signed *Agreement and Compliance Page*. (See *Technical Proposal Packet*.)
 - c. Original *Proposed Subcontractors Form*. (See *Subcontractors*.)
 - d. EO 98-04 Contract and Grant Disclosure Form, Attachment A. (See *Standard Terms and Conditions, Disclosure*.)
 - e. *Technical Proposal* response to the *Information for Evaluation* section included in the *Technical Proposal Packet*.
 - f. Other documents and/or information as may be expressly required in this *Bid Solicitation*.
3. The following items should be submitted in the original *Technical Proposal Packet*.
 - a. Copy of Contractor's *Equal Opportunity Policy*. (See *Equal Opportunity Policy*.)
 - b. Signed addenda to this RFP, if applicable. (See Requirement of Addendum.)
 - c. *Voluntary Product Accessibility Template* (VPAT), if applicable. (See *Technology Access*.)
4. **DO NOT** include any other documents or ancillary information, such as a cover letter or promotional/marketing information.

B. Official Bid Price Sheet and Cost Proposal Template. (See *Pricing*.)

1. Contractor's original *Official Bid Price Sheet* (Attachment J) and the *Cost Proposal Template* (Attachment K) **must** be submitted in hard copy format.
2. Contractor should also submit one (1) electronic copy of the *Official Bid Price Sheet* (Attachment J) and the *Cost Proposal Template* (Attachment K), in PDF format, preferably on a flash drive. A CD will also be acceptable. All items on flash drive or CD should be in PDF format.

3. The *Official Bid Price Sheet (Attachment J)* and the *Cost Proposal Template (Attachment K)*, including the hard copy and electronic copy, **must** be separately sealed from the *Technical Proposal Packet* and should be clearly marked as "Pricing". Vendor **must not** include any pricing in the hard copies or electronic copies of their *Technical Proposal Packet*.

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

In addition to the original *Technical Proposal Packet* and the *Official Bid Price Sheet (Attachment J)* and the *Cost Proposal Template (Attachment K)*, 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 copy of the *Technical Proposal Packet*, preferably on flash drives. A CD will also be acceptable. All items on flash drive or CD should be in PDF format.
 - c. All additional hard copies and electronic copies **must** be identical to the original hard copy. In case of a discrepancy, the original hard copy **shall** govern.
 - d. One (1) redacted copy, in PDF format, if applicable, (marked "REDACTED") of the original *Technical Proposal Packet*, preferably on a flash drive. A CD will also be acceptable. (*See Proprietary Information.*)
 - e. If OP requests additional copies of the proposal, the copies **must** be delivered within twenty-four (24) hours of request.

1.9 ORGANIZATION OF RESPONSE DOCUMENTS

- A. It is strongly recommended that 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:
 - *Response Signature Page.*
 - *Agreement and Compliance Page.*
 - Signed Addenda, if applicable.
 - E.O. 98-04 – *Contract Grant and Disclosure Form.*
 - *Equal Opportunity Policy.*
 - *Proposed Subcontractors Form.*
 - Other documents and/or information as may be expressly required in this *Bid Solicitation*. Label documents and/or information so as to reference the Bid Solicitation's item number.
 - Technical Proposal response to the *Information for Evaluation* section of the *Technical Proposal Packet*.

1.10 CLARIFICATION OF RFP SOLICITATION

- A. Contractor may submit written questions requesting clarification of information contained in this *Bid Solicitation*. Written questions should be submitted via email by 4:00 p.m., Central Time on or before January 4, 2024. Submit questions to the OP buyer as shown on page one (1) of this *Bid Solicitation*. It is the contractor's responsibility to guarantee receipt of the questions by the specific time and date. DHS accepts no responsibility for accurate or timely receipt of email submission.
- B. The attached response template (*Attachment B*) should be used for submission of all written questions. For each question submitted, Vendor should reference the specific solicitation item number to which the question refers. Written questions submitted in a different format may not be answered by DHS.
- C. Contractor's written questions will be consolidated and responded to by the State. The State's consolidated written response is anticipated to be posted to the OP website by the close of business on January 17, 2024.
- D. Answers to verbal questions may be given as a matter of courtesy and **must** be evaluated at contractor's risk.
- E. Oral statements by OP **shall not** be part of any contract resulting from this solicitation and **may not reasonably be relied on by any vendor as an aid to interpretation unless it is reduced to writing and expressly adopted by DHS.**

1.11 RESPONSE SIGNATURE PAGE

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

1.12 AGREEMENT AND COMPLIANCE PAGE

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

1.13 SUBCONTRACTORS

- A. Contractor **must** complete and submit the *Proposed Subcontractors Form* included in the *Technical Proposal Packet* to indicate contractor's intent to utilize, or to not utilize, subcontractors.
- 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.

1.14 PRICING

- A. Contractor(s) shall include all pricing on the Official Price Bid Sheet (Attachment J) and Cost Proposal Template (Attachment K). Any cost not identified by the successful contractor but subsequently incurred in order to achieve successful operation **shall** be borne by the Contractor.
- B. To allow time to evaluate proposals, prices **must** be valid for 180 days following the bid opening.
- C. The Official Bid Price Sheet (Attachment J) and Cost Proposal Template (Attachment K), including the hard copy and electronic copy, **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 in the sealed pricing package. The Official Bid Price Sheet (Attachment J) and Cost Proposal Template (Attachment K) is provided as separate files posted with this Bid Solicitation.
- D. Contractor must not include any pricing in the hard copies or electronic copies of their Technical Proposal Packet. Should hard copies or electronic copies of their Response Packet contain any pricing, the response shall be disqualified.
- E. Failure to complete and submit the Official Bid Price Sheet (Attachment J) and Cost Proposal Template (Attachment K) shall result in disqualification.
- F. All proposal pricing **must** be in United States dollars and cents.
- G. The Official Bid Price Sheet and Cost Proposal Template may be reproduced as needed.

1.5 PRIME CONTRACTOR RESPONSIBILITY

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

1.16 INDEPENDENT PRICE DETERMINATION

- A. By submission of this proposal, the 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:
 - The prices in the proposal have been arrived at independently, without collusion; and

- No prior information concerning these prices has been received from, or given to, a competitive company.

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

1.17 PROPRIETARY INFORMATION

- A. Submission documents pertaining to this *Bid Solicitation* become the property of the State and 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. 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 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*. A CD is also acceptable. Do not submit documents via e-mail or fax.
- G. Except for the redacted information, the redacted copy **must** be identical to the original hard copy, reflecting the same pagination as the original and showing the space from which information was redacted.
- H. The 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 **shall** be open to public inspection under the Freedom of Information Act (FOIA) without further notice to the Contractor.
- J. If a redacted copy of the submission documents is not provided with 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 Contractor will be notified of the State's determination prior to release of the documents.
- L. The State has no liability to a Contractor with respect to the disclosure of Contractor's confidential information ordered by a court of competent jurisdiction pursuant to FOIA or other applicable law.

1.18 CAUTION TO CONTRACTORS

- A. Prior to any contract award, all communication concerning this *Bid Solicitation* **must** be addressed through the OP buyer.
- B. Contractor **must not** alter any language in any solicitation document provided by the State.
- C. Contractor **must not** alter the Official Bid Price Sheet.
- D. All official documents and correspondence related to this solicitation **shall** be included as part of the resultant contract.
- E. Proposals **must** be submitted only the English language.

- F. The State **shall** have the right to award or not award a contract, if it is in the best interest of the State to do so.
- G. Contractor **must** provide clarification of any information in their response documents as requested by OP.
- H. Qualifications and proposed services **must** meet or exceed the required specifications as set forth in this *Bid Solicitation*.
- I. Contractors may submit multiple proposals. Each proposal shall be submitted separately and must include all documents and information required under this RFP in order to advance to evaluation.

1.19 REQUIREMENT OF ADDENDUM

- A. This *Bid Solicitation* **shall** be modified only by an addendum written and authorized by OP.
- B. Contractors are cautioned to ensure that they have received or obtained, and have responded to, any and all addenda to the Bid Solicitation prior to submission of response.
- C. An addendum posted within three (3) calendar days prior to the bid opening **shall** extend the bid opening and may or may not include changes to the Bid Solicitation.
- D. The vendor **shall** be responsible for checking the websites listed on page one (1) for any and all addenda up to bid opening.

1.20 AWARD PROCESS

- A. Award Determination

The Grand Total Score for each Contractor, which shall be the sum of the Technical Score and Cost Score, shall be used to determine the ranking of proposals. The State may move forward to negotiations pursuant to Arkansas Code Annotated § 19-11-230, with those responsible Contractors determined, based on the ranking of the proposals, to be reasonably susceptible of being selected for award.
- B. Discussions and Negotiations
 - 1. If the agency so chooses, it shall also have the right to enter into discussion with the qualifying vendor(s), to further define contractual details. All such discussions shall be conducted at the sole discretion of the State and may be conducted at any lawful time of the State's choosing. The State shall solely determine the items to be discussed or negotiated.
 - 2. If discussions or negotiations fail to result in a contract, the negotiation process may be repeated until an anticipated successful vendor(s) has been determined or an award made, or until such time the State decides not to move forward with an award.
 - 3. The State may elect to request best and final offers. Any best and final offer request made by the State will be conducted with the responsible Contractors that meet the minimum qualifications at section 2.2.
- C. Anticipation to Award
 - 1. Once the anticipated successful Contractor has been determined, the anticipated award will be posted on the websites listed on page one (1) of this RFP.
 - 2. The anticipated award will be posted for a period of fourteen (14) days prior to the issuance of a contract. 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. DHS **shall** have the right to waive the fourteen (14) day anticipated award posting period when it is in the best interest of the State.
 - 4. It is the Contractor's responsibility to check the OP website for the posting of an anticipated award.
- D. Issuance of Contract
 - 1. Any resultant contract of this *Bid Solicitation* **shall** be subject to State approval processes which may include Legislative review.
 - 2. A State Procurement Official will be responsible for award and administration of any resulting contract.

3. DHS reserves the right to award multiple contracts.

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 that is at least fifty-one percent (51%) 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 woman-owned business is defined by Arkansas Code Annotated § 15-4-303(9) 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 *Response Signature Page*.

1.22 **EQUAL OPPORTUNITY POLICY**

- A. In compliance with Arkansas Code Annotated § 19-11-104, the State is required to have a copy of the anticipated Contractor's *Equal Opportunity (EO) Policy* prior to issuing a contract award.
- B. *EO Policies* should be included as a hardcopy accompanying the solicitation response.
- C. Contractors are responsible for providing updates or changes to their respective policies, and for supplying *EO Policies* upon request to other State agencies that must also comply with this statute.
- D. Vendors 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, prior to the award of a contract, selected Contractor(s) **must** have a current certification on file with OSP stating that they do not employ or contract with illegal immigrants. If selected, the Contractor certifies that they will not employ or contract with illegal immigrants during the aggregate term of a contract.
- B. OSP will notify the selected contractor(s) prior to award if their certification has expired or is not on file. Instructions for completing the certification process will be provided to the contractor(s) at that time.

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 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 Contractor's past performance with the State may be used to determine if the Contractor is "responsible." Proposals submitted by Contractors determined to be non-responsible **shall** be disqualified.

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., 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 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, 2019 (software applications and operating ICSs) and 36 C.F.R. § 1194.22, as it existed on January 1, 2019 (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 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, 2019 (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., 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; and
 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., 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 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 MASTERCARD ACCEPTANCE

- A. Awarded Contractor should have the capability of accepting the State's authorized MASTERCARD Procurement Card (p-card) as a method of payment.
- B. Price changes or additional fee(s) **shall not** be levied against the State when accepting the p-card as a form of payment.
- C. MASTERCARD is not the exclusive method of payment.

1.29 PUBLICITY

- A. Contractors **shall not** issue a news release pertaining to this *Bid Solicitation* or any portion of the project without OP's prior written approval.
- B. Failure to comply with this Requirement **shall** be cause for a Contractor's proposal to be disqualified or for the contract to be terminated.

1.30 RESERVATION

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

1.31 DATA LOCATION

Contractor shall under no circumstances allow Arkansas data to be relocated, transmitted, hosted or stored outside the continental United States in connection with any services provided under this contract entered into under this RFP, either directly by the Contractor or by its subcontractors.

1.32 SCHEDULE OF EVENTS

SOLICITATION SCHEDULE

ACTIVITY	DATE
Public Notice of RFP	December 28, 2023
Deadline for Receipt of Written Questions	January 4, 2024, 4:00 pm CST
Response to written Questions, On or About	January 17, 2024
Proposal Due Date and Time	January 31, 2024 1:00 pm CST
Opening Proposal Date and Time	January 31, 2024 2:00 pm CST
Intent to Award Announcement Posted, On or About	March 8, 2024
Contract Start Date (Subject to State Approval)	June 1, 2024
Go Live Date, On or About	July 1, 2024

1.33 STATE HOLIDAYS

Holidays are those days as declared legal state holidays by authority of Act 304 of 2001. Those days are as follows:

HOLIDAY	DATE
New Year's Day	January 1
Dr. Martin Luther King's Birthday	Third Monday in January
George Washington Birthday	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4
Labor Day	First Monday in September
Veteran's Day	November 11
Thanksgiving Day	Fourth Thursday in November

Christmas Eve	December 24
Christmas Day	December 25

Additional days can be proclaimed as holidays by the Governor through executive proclamation. State offices are normally closed on holidays; however, there are occasions (i.e., during legislative sessions) when it may become necessary to keep state offices open on holidays. The Contractor **shall** maintain adequate staff on such working holidays.

SECTION 2 – SPECIFICATIONS

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

2.1 INTRODUCTION

This Request for Proposal (RFP) is issued by the Arkansas Department of Human Services (DHS), Office of Procurement (OP) for the Division of Medical Services (DMS) to obtain pricing and a contract for the maintenance, operations, development, and administration of the Arkansas Health Insurance Premium Payment (ARHIPP) program.

ARHIPP pays the premiums and cost sharing to allow eligible Medicaid Beneficiaries to have health insurance through their job or COBRA, if determined to be cost effective for the Medicaid program. ARHIPP is designed to reimburse Medicaid Beneficiaries for the cost of their Third Party Liability insurance when it is cost effective for Medicaid. Because Medicaid is the payor of last resort, when Medicaid Beneficiaries have employer sponsored insurance (ESI), the ESI covers the cost of most medical services and allows the Medicaid program to avoid paying those claims.

To qualify for ARHIPP, the ESI must cover a qualified Medicaid Beneficiary, and the estimated cost of paying medical claims must be lower than the cost of premiums and cost sharing. This program helps eliminate some of the out-of-pocket medical expenses for qualified Beneficiaries and provides Medicaid coverage for some services not typically covered by private insurance.

The primary objective of this RFP is for DHS to select a vendor to perform the following functions:

- A. To administer the ARHIPP program to help Medicaid Beneficiaries access ESI when it is cost effective for the Medicaid Program.
- B. To provide information to DHS that allows for ongoing assessment of program policies and procedures.

2.2 MINIMUM QUALIFICATIONS

The Contractor **must** meet the following requirements:

- A. The Contractor **must** be registered to do business in the State of Arkansas and in good standing by the initial start of any resulting contract. For verification purposes, Contractor **must** provide a [Certificate of Good Standing](#), [Certificate of Authority](#), other required [Arkansas Secretary of State](#) documentation such as non-filing or nonqualifying statements, upon DHS request.
- B. The bidder **must** include a copy of all required licensure and certification documents in the bidder's response to this solicitation. See "Response Documents."
- C. The Contractor **must** be bondable. For verification purposes the Prospective Contractor **shall** submit a Letter of Bondability from an admitted Surety Insurer with bid submission. The letter must unconditionally offer to guarantee, to the extent of one hundred percent (100%) of the annual contract price, the Prospective Contractor's performance in all respects of the terms and conditions of the RFP and the resultant contract. The Contractor **shall** be required to provide DHS with the performance bond described in this section upon contract award.
- D. The Contractor **shall** have at least five (5) years cumulative experience working on similar insurance contracts for at least three (3) other state Medicaid programs or similar human services programs. If the Prospective Contractor proposes to use subcontractors, the Prospective Contractor's proposed subcontractors **shall** have the experience working on similar projects with other State Medicaid or human services programs. For verification purposes, the Prospective Contractor must accurately complete and sign **Attachment I - Client History Form**.

2.3 SCOPE OF WORK

- A. General Requirements
 1. The Contractor **shall** be responsible for determining beneficiary eligibility for the ARHIPP program based on DHS-provided criteria in accordance with the promulgated rules of the Arkansas Health Insurance Premium policy (Attachment N). The Contractor **must** develop an online and paper application for Beneficiary use in applying for the program. The application **must** collect only information necessary for

determining Beneficiary eligibility based on DHS program criteria and must be approved by DHS. DHS will provide access to MMIS and to files DHS determines necessary for the fulfillment of contractual requirements. The Contractor must provide the Average Annual Medical Costs (AAMC) methodology used to determine beneficiaries' cost-effectiveness for the ARHIPP program.

2. The Contractor **shall** verify ARHIPP applicant's insurance policy number, group number, RX group number, Processor Control Number (PCN), Bank Identification Number (BIN), and effective date of coverage and **shall** record the history of this plan information within the ARHIPP system. The Contractor **shall** develop a daily electronic file to transfer this policy information to the MMIS with the Medicaid enrollee's ARHIPP eligibility data.
 3. The Contractor **shall** make an ARHIPP eligibility decision and mail written notice of decision to the Policyholder for all submitted ARHIPP applications within thirty (30) calendar days of receipt.
 4. The Contractor **shall** re-determine ARHIPP eligibility for each active case prior to the end of the employer's open enrollment periods.
 5. The Contractor's ARHIPP system **shall** have the ability to accept a daily electronic Medicaid eligibility and TPL file from the MMIS. The Contractor **shall** utilize the eligibility data contained within the files to update existing ARHIPP cases and to establish new ARHIPP cases. Contractor **shall** develop a workflow process to alert ARHIPP operational staff of changes to ARHIPP cases. Records **shall** be maintained for a minimum of ten (10) years after the termination of the contract.
 6. The Contractor **shall** develop and send notices in accordance with the DHS policies and procedures. The Contractor shall not utilize any notice that has not been approved by DHS. At the direction of DHS, the Contractor notices **shall** be sent to the Medicaid Beneficiary's record in the MMIS accompanied by a case activity log (CAL) entry to MMIS in a daily electronic file. Contractor **shall** monitor the timeliness of the notice delivery process and report monthly to DHS a list of untimely notices sent.
 7. The Contractor **shall** develop a check write file to include paper check and direct deposit information in conjunction with the DHS fiscal protocols and formatting requirements sent to MMIS in a weekly electronic file. The Contractor **shall** reconcile ARHIPP cases by processing the monthly clear and void files provided by the MMIS fiscal section and **shall** notify DHS if the files are not received from the MMIS fiscal section by the 15th day of each month.
 8. The Contractor **shall** process overpayment collections and reconciliation of ARHIPP accounts in accordance with DHS-approved procedures.
 9. The Contractor **shall** provide all data related to the administration of the ARHIPP program to new contractor in a DHS-approved format at termination of the Contract.
- B. Call Center Requirements
1. The Contractor **shall** install, operate, monitor, and support an Automated Distribution Call (ADC) system, also called a "Call Center." The Call Center will answer questions from ARHIPP Beneficiaries and Applicants.
 2. The Call Center **must** be staffed between the hours of 8:00 a.m. to 4:30 p.m. CST and **must** allow individuals to leave a voice mail during off hours.
 3. The Call Center **shall** maintain staff that are proficient in responding to questions regarding ARHIPP in an accurate and timely manner.
 4. Specific service requirements for the Call Center **shall** include:
 - a. Operating a toll-free, HIPAA-compliant, ADC center.
 - i. The Call Center must be able to accommodate all calls, including those requiring the use of interpreter services for the hearing impaired or for callers that have limited English proficiency.
 - ii. Beneficiaries shall not be charged a fee for translator or interpreter services.

- b. Ensuring a sufficient number of adequately trained staff to operate the Call Center on Business Days from 8:00 am to 4:30 pm Central Time, at a minimum. All staff **shall** be responsive, courteous, and accurate when responding to calls.
 - c. Having a method, approved by the Contract Manager, for handling calls received after normal business hours, on weekends, and during State-approved holidays.
 - d. Having the technological capability to allow for monitoring and auditing of calls, both by the Contractor and designated DHS personnel, for quality, accuracy, and professionalism.
 - e. Having an electronic system that allows Call Center staff to document calls in sufficient detail for reference, tracking, and analysis. The documentation system **must** contain sufficient flexibility and reportable data fields to accommodate production and ad-hoc reports. The system **must** also have reportable fields to accurately capture the type of inquiry, date, and subject of each call.
 - f. Having an executed and tested Call Center Disaster Recovery Plan approved by DHS by the time of Readiness Review for providing Call Center services in the event the primary Call Center facilities are unable to function in their normal capacity.
 - g. Relinquishing ownership of the toll-free numbers upon Contract termination, at which time DHS shall take title to these telephone numbers.
5. During the Contract term, the Contractor **shall**:
- a. After the Go-Live date, report the following information to the Contract Manager weekly for months one through three (1 – 3); monthly for months four through twelve (4 – 12); and quarterly, no later than fifteen (15) business days after the end of each quarter of the contract year, by a method and format approved by the Contract Manager, for the durations of the Contract Term:
 - i. Total call volume.
 - ii. Percentage of calls answered.
 - iii. Percentage of calls answered that were on hold, in 30 second increments.
 - iv. Percentage of calls abandoned.
 - v. Number of busy signals.
 - vi. Average speed of answer.
 - vii. Average hold time before answer.
 - viii. Average time before abandonment.
 - ix. Average length of call.
 - x. Type and subject of call by volume.
 - xi. Average number of Business Days to return calls from calls received during non-business hours.
 - xii. Percentage of calls answered within 3 rings or 15 seconds.
 - xiii. Percentage of calls on hold for 2 minutes or less.
 - xiv. Longest time to return a call.
 - b. DHS shall have the right to amend the above list and reporting schedule at any time during the Contract term.
 - c. DHS shall have the right to request ad-hoc reports as needed.
- C. Administration
1. The Contractor **shall** be responsible for the development, maintenance, operations, and administration of the ARHIPP Program.
 2. The Contractor **must** maintain an organizational structure and staffing level with sufficient experience to discharge the Contractor's responsibilities and provide this information in writing when requested by DHS.
 3. The Contractor **must** notify DHS in writing of the persons authorized to act on behalf of the Contractor.
 4. At a minimum, the Contractor **shall** designate a Project Director and Project Manager as key personnel.
 5. The Contractor **must** maintain a liaison with DHS in connection with contractual responsibilities. The Liaison **shall** serve as the Contractor's point of contact for DHS, respond to inquiries from DHS, and attend routine and special meetings with DHS.
 6. The Contractor **shall** assume complete responsibility for staff training.

7. The Contractor **shall** fully cooperate with any contractors, consultants, or other parties that may be engaged by DHS. The Contractor **must** grant access to DHS, the Office of Medicaid Inspector General (OMIG), Medicaid Fraud Control Units (MFCU), federal Office of Inspector General (OIG), legislative audit, and entities specified by DHS without written approval. The Contractor **must** permit access by any other parties, when requested in writing by DHS, to the Medicaid program files, procedures, and records in the possession of or under the control of the Contractor.
8. The Contractor **must** assign ARHIPP operations staff responsible for determining and redetermining ARHIPP eligibility, entering and updating client policy and employer plan and premium information into the ARHIPP system, and communicating with stakeholders and interested parties throughout the state of Arkansas.

D. Reporting Requirements

The Contractor **shall** design the ARHIPP system to produce the monthly reports below. The reports **must** include, at a minimum, the data elements listed. These reports **shall** be reproducible at any time by selecting the date range of interest. The Contractor **shall** have quality control measures in place to verify accuracy of reporting. The Contractor **shall** produce reports by the 15th of the following month.

The Contractor **shall** copy all data requested by DHS to DHS or DHS authorized party on a frequency to be determined by DHS. The data format is to be mutually agreed upon.

1. **ARHIPP Case Activity Report shall** capture case status information by date and time, and contain the following data elements:
 - a. ARHIPP case status - pending, active, closed, rejected, suspended or any equivalent status developed by the Contractor with approval of DHS
 - b. ARHIPP case ID
 - c. ARHIPP policyholder first and last name
 - d. Medicaid beneficiary's Medicaid ID
 - e. Medicaid beneficiary's Medicaid aid category
 - f. Date of status change
 - g. Payment type – paper check or direct deposit
2. **ARHIPP Enrollment Data Report shall** capture data pertaining to the total number of ARHIPP enrollees and ARHIPP Beneficiaries and **shall** also include Medicaid certified enrollee case information. The ARHIPP Enrollment Data Report **shall** include the following data elements and **shall** be ran in real time:
 - a. Total number of Medicaid enrolled ARHIPP Beneficiaries
 - b. Total number of non-Medicaid ARHIPP beneficiaries (for example, any other family members not Medicaid eligible, but covered by the other insurance)
 - c. Associated Medicaid aid category for each ARHIPP enrollee
3. **ARHIPP Renewal Report shall** capture information on ARHIPP cases due for eligibility redetermination annually on a date to be determined by DHS and the Contractor. The Report **shall** include the following data elements:
 - a. ARHIPP Case ID
 - b. ARHIPP Case Status (Active or Termed)
 - c. Policyholder First Name and Last Name
 - d. Medicaid beneficiary's Medicaid ID
 - e. Medicaid beneficiary's Medicaid aid category
 - f. Employer Name
 - g. Carrier
 - h. Policy ID
4. **ARHIPP Outreach Report shall** capture information on all renewal outreach efforts and the response to the outreach effort. The ARHIPP Outreach Report **shall** identify by date outreach conducted by the Contractor to Medicaid enrollees and **shall** include the following data elements:

- a. Total number of mailers sent to current ARHIPP enrollees regarding renewal
 - b. Total response to the mailers
 - c. Total mail returned to sender
 - d. Total outbound phone calls by category of outreach
 - e. Total outbound calls answered
 - f. Total outbound calls dropped
 - g. Total returned calls due to outreach
 - h. Total number of ARHIPP cases renewed by outreach effort
5. **ARHIPP Check Write Report shall** capture payment information sent to MMIS. The Report **shall** include the following data elements:
- a. ARHIPP case ID
 - b. Policyholder first name and last name
 - c. Medicaid beneficiary's Medicaid ID
 - d. Medicaid beneficiary's Medicaid aid category
 - e. Payment amount
 - f. Coverage start date of premium payment
 - g. Coverage end date of premium payment
 - h. Payment type – paper check or direct deposit
 - i. Check number
 - j. Check date
6. **ARHIPP Notice Report shall** capture the total number and types of notices mailed per day. The Report **shall** include the following data elements:
- a. Notice type
 - b. ARHIPP case ID
 - c. Policyholder first and last name
 - d. Medicaid beneficiary's Medicaid ID
 - e. Medicaid beneficiary's Medicaid aid category
 - f. Date of mailing
 - g. Total number of notices mailed identified by notice type
7. **ARHIPP Overpayment Report shall** document the current status of ARHIPP cases that have been overpaid. The report **shall** include the following data elements:
- a. ARHIPP case ID
 - b. Policyholder first name and last name
 - c. Medicaid beneficiary's Medicaid ID
 - d. Medicaid beneficiary's Medicaid aid category
 - e. Check or transaction number of overpayment
 - f. Overpayment amounts due
 - g. Overpayment amounts repaid
 - h. Coverage start date of premium recoupment
 - i. Coverage end date of premium recoupment
 - j. Repayment amounts due
8. **The System Outage Incident Report shall** report any system outages or downtime to DHS within one (1) hour of the outage starting. The System Outage Monthly Report **shall** include a list of ARHIPP system downtime incidents with the following data elements:
- a. System error which produced the downtime
 - b. Date and time of the outage
 - c. Response time to address the outage

- d. Response time to correct the outage
- e. Root cause and error resolution
- f. Corrective action taken

DHS reserves the right to require any other reports deemed necessary.

9. The Contractor **shall** complete ad hoc reporting as requested by DHS. Ad hoc reports **must** be submitted to DHS within seven (7) business days unless otherwise determined by DHS. If the data is not readily available in the system, the Contractor **must** notify DHS and another timeframe shall be agreed upon by the parties.

2.4 SYSTEM SECURITY AND PRIVACY

DHS requires Minimum Acceptable Risk Standards for Exchanges (MARS-E 2.2) compliance standards for privacy and security for all Medicaid Systems. MARS-E 2.2 is a set of privacy and security standards for Affordable Care Act (ACA) administering entities, as well as their contractors and subcontractors. Developed by CMS, the standards are based on the National Institute of Standards and Technology (NIST) Special Publication 800-53. This framework establishes the security and privacy requirements required for compliance under MARS-E, ensuring the availability, confidentiality, and integrity of protected health information (PHI), personally identifiable information (PII), and federal tax information (FTI). The Contractor **shall** ensure and maintain compliance with the most current version of Health Insurance Portability and Accountability Act (HIPAA), Health Information Technology for Economic and Clinical Health (HITECH), Minimum Acceptable Risk Standards for Exchanges (MARS-E 2.2) and other applicable federal and state privacy and security standards.

A. System Data Security

The Contractor **shall** protect system data using the NIST 800-53r5 moderate standards to ensure that the system and confidential information is not disclosed for unauthorized purposes. At a minimum, the Contractor **shall** comply with the following data security controls:

1. The Contractor **shall** ensure that designated users from DHS only access information necessary to perform the job function.
2. The Contractor **shall** ensure that any sensitive information made available in any format shall be used only for the purpose of carrying out the provisions of this contract.
3. The Contractor **shall** provide adequate internal controls through separation of duties.
4. The Contractor **shall** provide backup procedures to ensure the continuation of operations in the event of a temporary disruption in operations.
5. The Contractor **shall** establish contingency plans for benefit delivery in the event of catastrophic disruption of benefit delivery services. The Contractor **shall** move to a backup system within twenty-four (24) hours of system disruption.
6. The Contractor **shall** maintain adequate documentation of system operating procedures, and requirements.
7. The Contractor **shall** provide all required documentation to maintain compliance with the most current version of Health Insurance Portability and Accountability Act (HIPAA), Health Information Technology for Economic and Clinical Health (HITECH), Minimum Acceptable Risk Standards for Exchanges (MARS-E 2.2) and other applicable federal and state privacy and security standards.
8. The Contractor's solution shall be compliant with NIST 800-53r5 Moderate or the latest version of security guidelines.
9. The Contractor **shall** ensure that the application that enforces access controls is continuously protected against tampering and/or unauthorized changes.

B. Privacy and Security Incidents and Reporting

1. The Contractor **must** report incidents within one (1) hour of occurrence. Incidents should be submitted to DHS.IT.Security.Team@dhs.arkansas.gov

2. The Contractor **shall** establish and maintain incident management responsibilities and procedures to ensure a quick, effective, and orderly response to security incidents. Procedures **shall** cover all potential types of security incidents, including the following:
 - a. Discovered viral infection
 - b. Discovered malicious code e.g., viruses, trap doors, logic bombs, worms, and Trojan horses
 - c. Uncovered hacker activity
 - d. Discovered system vulnerabilities
 - e. Unauthorized attempt, successful or unsuccessful, to access the EBT System
 - f. Deviation from security policy
 - g. Other unusual activities
 - h. In addition to normal contingency plans (designed to recover systems or services as quickly as possible), the procedures **shall** also cover the following:
 - i. Analysis and identification of the cause of the incident
 - ii. Planning and implementation of remedies to prevent recurrence, if necessary
 - iii. Collection of audit trails and similar evidence
 - iv. Communication with those affected by or involved with recovery from the incident
 - v. Report of the action to DHS Security and the DHS Privacy Office.
3. The Contractor **must** implement procedures to review records of information system activity, such as audit logs, access reports, and security incident tracking reports, on a frequency determined by DHS.
4. The Contractor **must** conduct a weekly security meeting with DHS CISO, DHS Privacy, Contractor's team, operations, and others as defined to update, plan, and determine a remediation strategy for all findings/incidents.
5. The Contractor **must** develop and document a process for Third Party Penetration testing that has been reviewed and approved by DHS. This testing **must** be completed at least annually, and the raw results and final reports must be provided to DHS.

2.5 INFORMATION MANAGEMENT AND SYSTEMS (IT Systems)

A. Information Technology Platform General Requirements

1. The Contractor **shall** provide and implement an Information Technology (IT) platform for the management and administration of the ARHIPP program as defined in this RFP.
2. The IT Platform **must** be capable of allowing Contractor staff and DHS staff to complete, record, and store all ARHIPP required information and transmit results to DHS or DHS designee.
3. The Contractor **shall** be responsible for implementing an IT Platform that is compliant with all applicable federal and state requirements.
4. The IT Platform **must** have the ability to interact and exchange data electronically with DHS or DHS's designee.
5. The IT Platform **must** be a singular platform for all ARHIPP functionality procured by DHS through this RFP or must be currently in use by the State and must be equally accessible by DHS.
6. The IT Platform **must** support the ARHIPP program and all needed functionality to support ARHIPP.
7. The IT Platform **must** provide customizable reporting.

B. The Contractor **shall** provide the following additional features:

1. The IT Platform **must** have the capability to directly interface with the Arkansas Medicaid Management Information System (MMIS), any state-contracted Vendor conducting utilization management or review on DHS' behalf and **must** support direct electronic interaction with DHS's systems. The specific list of the State's IT systems will be finalized during contract implementation.

2. Provide for varying levels of access based on role for Contractor and State staff. The Contractor should propose various user/role access levels for DHS's review and ultimate acceptance during contract implementation.
 3. Ability for DHS staff users with the proper access level to access, view, extract and download data at any time during the Contract period, including the dump of database data or customizable reports upon request.
 4. Provide database schema, table layouts, primary key designation, foreign key relationships, data dictionaries, security implementation model(s), and support for change control on database changes, and field and table changes upon request.
 5. Allow batch data transfer or extract, transfer, and load (ETL) to DHS's enterprise data warehouse for use in cross longitudinal reporting. The specific list of the States's or data warehouse system will be finalized during contract implementation.
 6. Provide and hand over all data and work product in State's desired non-proprietary format, decided by DHS, at the end of the contract.
 7. The Contractor **shall** work cooperatively with DHS and incumbent contractor to extract and load the State's data into the IT Platform.
 8. Provide for adaptability throughout the term of the Contract for any changes DHS may need to make to the IT Platform in the future.
 9. Complete address validation prior to any communication with Beneficiaries.
 10. Contractor to provide hosting for a new myarhipp.com website. Contents and functionality will be similar to the existing with the addition of DHS contact information.
- C. System Updates and Changes to IT Platform
1. System updates or changes required that result from a determination by the Contractor or DHS that a deficiency exists within the Contractor's system **shall** be performed by the Contractor as requested by DHS and **shall** be completed by a deadline determined by DHS.
 2. Changes, corrections, or enhancements to the IT Platform **shall** be characterized as a system improvement.
 3. These changes may result from a determination by the Contractor or DHS when a deficiency exists within the Contractor's system.
 4. Should the Contractor believe the changes, corrections, or enhancements are needed in the system, DHS **must** be advised of the changes, corrections, or enhancements and **must** approve before implementation.
- D. ADA 508 - Web Content Accessibility Guidelines (WCAG)
1. The Contractor **shall** allow DHS or Designee access to the system for ADA 508 compliance testing.
 2. The IT Platform implemented as a result of this RFP **must** meet all current ADA 508 requirements and guidelines. Any training and training materials **must** be ADA 508 compliant.
 3. Any defect or penalty related to ADA 508 compliance **must** be corrected by the Contractor within 60 calendar days at no cost to the State.
 4. The Contractor **must** perform ADA 508 compliance testing on every new release.

2.6 DISASTER RECOVERY AND BUSINESS CONTINUITY

- A. Disaster Recovery and Business Continuity and Contingency Plan (DR-BCCP)
1. The Contractor **must** submit a Disaster Recovery and Business Continuity and Contingency Plan (DR-BCCP) for the technology and infrastructure components, as well as for the business area operations continuity and contingency plan. The Contractor, together with DHS, **must** affirm the DR-BCCP, the

essential roles, responsibilities, and coordination efforts for those portions of the technical infrastructure and operations as deemed appropriate.

2. The Contractor **shall** address a wide range of infrastructure and services recovery responsibility associated with, and/or arising from, partial loss of a function or of data for a brief amount of time to a worst-case scenario in which a man-made or natural disaster, data center equipment or infrastructure failure, or total system failure may result. The DR-BCCP **must** include a procedure to allow facility access in support of restoration of lost data and to support emergency mode operations in the event of an emergency. Additionally, access control will include procedures for emergency access to electronic information. The IT Platform **must** be protected against hardware and software failures, human error, natural disasters, and other emergencies that could interrupt services. The DR-BCCP **must** address recovery of business functions, business units, business processes, human resources, and the technology infrastructure.

B. The DR-BCCP **must** include:

1. Identification of the core business processes involved.
2. Documentation of “who” shall declare a “disaster or failover” and begin the DR-BCCP
3. Distribution lists with email and telephone numbers for immediate contact
4. Pre-approved language to notify stakeholders and the method of notification.
5. For each core business process:
 - a. Identification of potential system failures for the process
 - b. Risk analysis
 - c. Impact analysis
 - d. Definition of minimum acceptable levels of output
6. Documentation of contingency plans
7. Definition of triggers for activating contingency plans
8. Process to establish a war room and business resumption team
9. Maintenance of updated Disaster Recovery Plans and procedures
10. Plan for replacement of personnel to include the following as a minimum:
 - a. Replacement in the event of loss of personnel before or after signing this contract
 - b. Replacement in the event of inability by personnel to meet performance standards
 - c. Allocation of additional resources in the event of the Contractor’s inability to meet performance standards
 - d. Replacement/addition of personnel with specific qualifications
 - e. Timeframes necessary for replacement
 - f. Contractor’s capability of providing replacements/additions with comparable experience
 - g. Methods for ensuring timely productivity from replacements/additions

C. The Disaster Recovery Plan **must** address:

1. Retention and storage of backup files and software
2. Hardware backup for critical system components
3. Facility backup
4. Backup for telecommunications links and networks
5. Staffing plan

6. Backup procedures and support to accommodate the loss of online communications.
 7. Process for fall back to the primary system.
 8. A detailed file backup plan and procedures, including the offsite storage of crucial transaction and master files; the plan and procedures must include a detailed frequency schedule for backing up critical files and (if appropriate to the backup media) their rotation to an offsite storage facility. The offsite storage facility must provide security of the data stored there, including protections against unauthorized access or disclosure of the information, fire, sabotage, and environmental considerations
 9. The maintenance of current system documentation and source program libraries at an offsite location
- D. The Disaster Recovery Plan and the results of periodic disaster readiness simulations **must** be available for review by state or federal officials on request.
- E. The Contractor must be fully operational by the contract start date. .
- F. The DR-BCCP **shall** allow recovery of the IT Platform and all data up to the moment of the disaster and successfully resume data collection within twenty-four (24) hours of any disaster.
- G. The DR-BCCP **shall** have a Recovery Time Objective (RTO) of twenty-four (24) hours and a Recovery Point Objective (RPO) of twenty-four (24) hours.

2.7 TRANSITION AND IMPLEMENTATION SERVICES REQUIREMENTS

A. Contract Implementation

The Contractor **shall** attend at least the following meetings:

1. A Contract Kickoff Meeting with staff from all programs served.
2. At a minimum, the Project Director and Project Manager **shall** attend this meeting along with any additional staff necessary to implement the terms of the Contract, with DHS having final determination of required attendees.
3. Further details regarding this meeting **shall** be agreed upon by the Contractor and DHS during contract negotiations.

B. Project Management Plan

The Contractor **must** submit a Project Management Plan (PMP) that describes all the project management processes, roles and responsibilities, and templates to effectively manage and control the project. The PMP approach **must** be consistent with the Project Management Institute (PMI) Project Management Methodologies stated in the Project Management Body of Knowledge (PMBOK®) or equivalent and **must** align and integrate with the AME PMO processes, including integration with State enterprise management and tracking tools. The PMP **must** encompass the entire project life cycle from project initiation to handoff to M&O and will incorporate content for which the AME PMO is responsible. The Contractor **shall** agree to develop their PMP, to the extent necessary, in coordination with and to complement to the extent feasible, PMPs and project schedules of DHS and other DHS Contractors.

(Note: The State has established the Arkansas Medicaid Enterprise (AME) Project Management Office (PMO) currently contracted with NTT DATA Government Consulting and Advisory (NTT DATA), that provides project management services to projects within DHS.)

The PMP **shall** include, but not be limited to, the following information:

1. Planned activities and key events
2. Overall System Design Life Cycle (SDLC) approach demonstrating the Contractor has a strong understanding of the State's requirements, as well as a well-defined vision for how the ARHIPP System will be designed, developed, and implemented
3. Staffing plan

4. Communication plan, including problem escalation process
5. Method and metrics for assuring performance, timeliness, and cost
6. Subcontractor management plan (if applicable)
7. Acknowledgement of, and plan to coordinate and achieve alignment on, any applicable dependencies DHS or other DHS Contractors may have upon the activities and deliverables
8. Mechanism for collaborating with DHS and other DHS Contractors as needed to complete collaborative activities, obtain and incorporate feedback, report on deliverables, or provide input as needed into the activities of DHS or other DHS Contractors, to ensure alignment of activities

C. Testing and Deployment of the IT Platform

1. The Contractor **must** develop and submit to the State no later than fifteen (15) calendar days after the Contract Commencement Date, a Deployment Plan that **shall** describe the implementation approach and methodology, technical preparation, technical challenges, and scheduled phasing of the deployment.
2. The Contractor **must** develop a User Acceptance Testing (UAT) Plan **shall** that include, at a minimum, the following:
 - a. Test scenarios developed with the State's assistance. Test samples **must** include all processing functions required for deployment; data sources, incoming and outgoing data including all data file interfaces, and reporting requirements.
 - b. A description of the Contractor and State staff roles and responsibilities during testing.
 - c. The scope of UAT, which **shall** include the inputs to the test, the steps and procedures in the testing process, timelines and the expected results.
 - d. A description of the defect identification and resolution processes to be executed during UAT.
3. If any component of the system is found to require a fix or revision per the determination of the Contractor and/or of DHS, the Contractor **must** correct the issue to the approval of DHS prior to Go Live.
4. The Contractor **must** develop an IT Testing Plan that **shall** include, at a minimum, the following:
 - a. Test scenarios developed with the State's assistance. Test samples must include all processing functions required for deployment; data sources, incoming and outgoing data including all data file interfaces, and reporting requirements.
 - b. A description of the Contractor and State staff roles and responsibilities during testing.
 - c. The scope of the IT testing which **shall** include the inputs to the test, the steps and procedures in the testing process, timelines and the expected results.
 - d. A description of the defect identification and resolution processes to be executed during IT testing.
5. The Contractor **shall** complete all testing no later than one month prior to Go-live.
6. The Contractor **shall** propose key milestones for IT development and implementation and describe these milestones as required in the Technical Proposal.

D. Operational Readiness Checklist

The Contractor **shall** deliver an Operational Readiness Checklist to the State for review and approval within fifteen (15) calendar days of Contract Commencement. DHS may request modifications or changes to the checklist, and such modifications **must** be made by the Contractor within five (5) business days of DHS's request.

1. The Operational Readiness Checklist **must** detail all activities and timelines leading up to the go-live of Year One of Operations, and it **must** include, at a minimum:
 - a. Successful execution of the Deployment Plan described in this RFP;
 - b. Dates of regular meetings with the State to ensure the success of the implementation of the project;

- c. Availability of a content management platform (e.g., SharePoint) where the Contractor shall house implementation related project management tools and content for access and review by the State;
 - d. Development of the information security plan described in in this RFP;
 - e. The recruitment and training of qualified staff to meet Contract requirements and in accordance with the staffing plan as described in this RFP;
 - f. Readiness to “go live” with a website containing resources for Beneficiaries and staff as described in this RFP;
 - g. A proposed implementation report structure to keep the State apprised of implementation efforts and the content and frequency of all required reports as described in this RFP.
2. Starting no later than thirty (30) calendar days before the planned start date of Go Live, DHS and the Contractor **shall** collectively review the approved Operational Readiness Checklist to ensure all the checklist criteria are met at least ten (10) calendar days prior to the planned start date.
- E. Exit Transition Period
1. The Contractor **shall** begin its DHS approved transition plan at least sixty (60) days prior to the end of this Contract.
 2. The Contractor **must** adhere to the following transition plan and transition of materials:
 - a. At the end of this Contract, the Contractor **shall** work cooperatively with DHS and if applicable, any new contractor, to ensure an efficient and timely transition of Contract responsibilities with minimal disruption of service to Beneficiaries and DHS.
 - b. The Contractor **shall** begin an Exit Transition Period at least sixty (60) days, but no more than ninety (90) days, prior to the last day the Contractor is responsible for the requirements of the Contract resulting from this RFP. This may occur at DHS’s discretion, either after all available option years in the Contract have been exercised, or after DHS notifies the Contractor, that DHS does not wish to renew the Contract by exercising an available option year.
 - c. During the exit transition period, the Contractor shall work cooperatively with DHS and the new contractor and shall provide program information and details specified by DHS and in a method and format as determined by DHS.
 - d. Both the program information and the working relationship between the Contractor awarded the contract resulting from this RFP and the new Contractor from a future solicitation shall be defined by DHS.
 - e. Within the exit transition period, the Contractor awarded the contract resulting from this RFP **shall** prepare and submit an exit transition plan and schedule of activities to facilitate the transfer of responsibilities, information, documentation, training, and educational materials, etc., to a new Contractor and/or DHS.
 - f. The Contractor **shall** submit the Exit Transition Plan to the Contract Monitor sixty (60) days prior to the beginning of the Exit Transition Period. The Contract Monitor must approve the exit transition plan before it can be implemented.
 - g. The Contract Monitor and the new Contractor awarded the contract resulting from this RFP **shall** define the information required during this transition period and the time frames for submission.
 - h. The Contract Monitor **shall** have the final authority for determining the information the Contractor shall be required to submit.
 4. Contractor **shall** provide a copy of all the content and workflows from the myarhipp.com website to DHS.

2.8 PERFORMANCE STANDARDS

- A. State law requires that all contracts for services include Performance Standards for measuring the overall quality of services provided. *Attachment C: Performance Standards* identifies expected deliverables, performance measures, or outcomes; and defines the acceptable standards the 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.

- C. The State **shall** have the right to modify, add, or delete Performance Standards throughout the term of the contract, should the State determine it is in its best interest to do so. Any changes or additions to performance standards will be made in good faith following acceptable industry standards and may include the input of the Contractor so as to establish standards that are reasonably achievable.
- D. All changes made to the Performance Standards **shall** become an official part of the contract.
- E. Performance Standards **shall** continue throughout the term of the contract.
- F. Failure to meet the minimum Performance Standards as specified may 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 may waive damages if it determines there were extenuating factors beyond the control of the Contractor that hindered the performance of services or if it is in the best interest of the State to do so. In these instances, the State **shall** have final determination of the performance acceptability.
- H. Should any compensation be owed to the agency due to the assessment of damages, Contractor **shall** follow the direction of the agency regarding the required compensation process.

SECTION 3 – SELECTION

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

3.1 TECHNICAL PROPOSAL SCORE

- A. OP will review each *Technical Proposal Packet* to verify submission Requirements have been met. *Technical Proposals Packets* that do not meet submission *Requirements* **shall** be rejected and **shall** 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 nothing in the proposal is responsive in relation to the evaluation factor or the proposal affirmatively shows that it is unacceptable in relation to the evaluation factor.	No Confidence

2. After initial individual evaluations are complete, the Evaluation Committee members will meet to discuss their individual ratings in a consensus scoring meeting. At this consensus scoring meeting, each evaluator 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 recorded on the preliminary Individual Score Worksheet with the committee, the individual committee members will be given the opportunity to change their initial individual score, 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. For purposes of scoring, only the final scores of the evaluators reflected on the Consensus Score Sheet will be used. Each evaluator shall sign the Consensus Score Sheet affirming that the score noted is the score intended by the evaluator.

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
E.1 General Requirements	50	25	175
E.2 Call Center	60	15	105
E.3 Administration	25	10	70
E.4 Reporting	15	15	105
E.5 System Security and Privacy	30	5	35
E.6 Information Management and Systems	45	15	105
E.7 Disaster Recovery and Business Continuity	10	5	35
E.8 Transition and Implementation	15	10	70
Total Technical Score	250	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.

3.2 ORAL PRESENTATION/DEMONSTRATION SCORE

- A. The three Prospective Contractors with the top Technical proposal scores after the completion of the technical proposal evaluation, may at the sole discretion of DHS be contacted to schedule an oral presentation/demonstration.
- B. Should DHS opt to schedule any oral presentation/demonstration, 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. Should DHS opt to schedule any oral presentation/demonstration, after each oral presentation/demonstration is complete, the Evaluation Committee members will have the opportunity to discuss the oral presentation/demonstration and revise their individual scores on the Post-Demonstration Consensus Score Sheet based on the information provided during the oral presentation/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 will be given to the proposal with the lowest grand total as shown on the *Official Bid Price Sheet* (Attachment J). (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:

$$(A/B) \times (C) = D$$

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
Maximum Possible Grand Total Score	1,000

3.5 PROSPECTIVE CONTRACTOR ACCEPTANCE OF EVALUATION TECHNIQUE

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

SECTION 4 – GENERAL CONTRACTUAL REQUIREMENTS

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

4.1 PAYMENT AND INVOICE PROVISIONS

- A. All invoices **shall** be forwarded to: DMS.invoices@arkansas.gov
- B. Payment will be made in accordance with applicable State of Arkansas accounting procedures upon acceptance goods and services by the agency.
- C. The State **shall not** be invoiced in advance of delivery and acceptance of any goods or services.
- D. Payment will be made only after the Contractor has successfully satisfied the agency as to the reliability and effectiveness of the goods or services purchased as a whole.
- E. The Contractor should invoice the agency by an itemized list of charges. The agency's Purchase Order Number and/or the Contract Number should be referenced on each invoice.
- F. Other sections of this *Bid Solicitation* may contain additional Requirements for invoicing.
- G. Selected Contractor **must** be registered to receive payment and future *Bid Solicitation* notifications. Contractors may register on-line at <https://www.ark.org/vendor/index.html>.

4.2 GENERAL INFORMATION

- A. The State **shall not** lease any equipment or software for a period of time which continues past the end of a fiscal year unless the contract allows for cancellation by the State Procurement Official upon a thirty (30) day written notice to the Contractor/lessor in the event funds are not appropriated.
- B. The State **shall not** pay damages, legal expenses or other costs and expenses of any other party.
- C. The State **shall not** continue a contract once any equipment has been repossessed.
- D. Any litigation involving the State **must** take place in Pulaski County, Arkansas.
- E. The State **shall not** agree to any provision of a contract which violates the laws or constitution of the State of Arkansas.
- F. The State **shall not** enter a contract which grants to another party any remedies other than the following:
 1. The right to possession.
 2. The right to accrued payments.
 3. The right to expenses of de-installation.
 4. The right to expenses of repair to return the equipment to normal working order, normal wear and tear excluded.
 5. The right to recover only amounts due at the time of repossession and any unamortized nonrecurring cost as allowed by Arkansas Law.
- G. The laws of the State of Arkansas **shall** govern this contract.
- H. A contract **shall not** be effective prior to award being made by a State Procurement Official.
- I. In a contract with another party, the State will accept the risk of loss of the equipment or software and pay for any destruction, loss or damage of the equipment or software while the State has such risk, when:
 1. The extent of liability for such risk is based upon the purchase price of the equipment or software at the time of any loss, and

2. The contract has required the State to carry insurance for such risk.

4.3 CONDITIONS OF CONTRACT

- A. The Contractor **shall** at all times observe and comply with federal and State of Arkansas laws, local laws, ordinances, orders, and regulations existing at the time of, or enacted subsequent to the execution of a resulting contract which in any manner affect the completion of the work.
- B. The Contractor **shall** indemnify and save harmless the agency and all its officers, representatives, agents, and employees against any claim or liability arising from or based upon the violation of any such law, ordinance, regulation, order or decree by an employee, representative, or subcontractor of the Contractor.
- C. The Contractor agrees to the Performance Based Contracting standards as presented in Attachment C, DHS Standard Terms and Conditions as presented in Attachment D, a pro forma contract as presented in Attachment E, the Business Associate Agreement as presented in Attachment F, and the Organizational or Personal Conflict of Interest policy as presented in Attachment G. Do not complete and return any of the above-named attachments. They are for your information only.

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 **shall** 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 **shall** be limited to the value of the Contract or \$5,000,000, whichever is higher. The foregoing limitation of liability **shall not** apply to claims for infringement of United States patent, copyright, trademarks or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the 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 **shall not** be liable to each other, regardless of the form of action, for consequential, incidental, indirect, or special damages. This limitation of liability **shall not** apply to claims for infringement of United States patent, copyright, trademark or trade secrets; to claims for personal injury or damage to property caused by the gross negligence or willful misconduct of the 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 **shall 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, **shall** be brought before the Arkansas Claims Commission as provided by Arkansas law, and **shall** be governed accordingly.

4.5 PERFORMANCE BONDING

- A. The Contractor **shall** be required to obtain performance bonds to protect the State's interest as follows:
 1. The amount of the performance bonds **shall** be one hundred percent (100%) of the annual contract price, unless the State determines that a lesser amount would be adequate for the protection of the State. Such performance bond must be provided to DHS prior to signing the contract.
 2. The State **shall** require additional performance bond protection when a contract price is increased or modified.
 3. The additional performance bond **must** be delivered to the Arkansas Department of Human Services Chief Procurement Officer within fourteen (14) calendar days of request.
 4. The contractor **shall** notify the State of any changes, modification, or renewals for the performance bond during the term of the contract. The performance bond documentation **must** be provided to the State with each required notice.

5. Failure to provide is a breach of contract and may result in immediate contract termination, prohibition against future bidding with the State, the addition of Contractor to the DHS excluded provider list, etc.

4.6 RECORD RETENTION

- A. The Contractor **shall** maintain all pertinent financial and accounting records and evidence pertaining to the contract in accordance with generally accepted principles of accounting and as specified by the State of Arkansas Law. Upon request, access **shall** be granted to State or Federal Government entities or any of their duly authorized representatives.
- B. Financial and accounting records **shall** be made available, upon request, to the State of Arkansas's designee(s) at any time during the contract period and any extension thereof, and for five (5) years from expiration date and final payment on the contract or extension thereof.
- C. Other sections of this *Bid Solicitation* may contain additional Requirements regarding record retention.

4.7 PRICE ESCALATION

- A. Price increases will be considered at the time of contract renewal.
- B. The Contractor **must** provide to OP 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. OP has the right to require additional information pertaining to the requested increase.
- C. Increases will not be considered to increase profit or margins.
- D. OP has the right to approve or deny the request.

4.8 CONFIDENTIALITY

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

4.9 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 **shall** be final and controlling.

4.10 CANCELLATION

- A. For Cause. The State may cancel any contract resulting from this solicitation for cause at the discretion of DHS. The State shall give the vendor written notice of cancellation, specifying the terms and the effective date of contract termination.
- B. For Convenience. The State may cancel any contract resulting from the solicitation by giving the Contractor written notice of such cancellation no less than thirty (30) 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.

4.11 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 **shall 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 contract entered into if any or all parts of the bid are accepted by the State of Arkansas.
- 2. **ACCEPTANCE AND REJECTION:** The State **shall** have the right to accept or reject all or any part of a bid or any and all bids, to waive minor technicalities, and to award the bid to best serve the interest of the State.
- 3. **BID SUBMISSION:** Original Proposal Packets **must** be submitted to the Office of Procurement on or before the date and time specified for bid opening. The Proposal Packet **must** contain all documents, information, and attachments as specifically and expressly required in the *Bid Solicitation*. The bid **must** be typed or printed in ink. The signature **must** be in ink. Unsigned bids **shall** be disqualified. The person signing the bid should show title or authority to bind his firm in a contract. Multiple proposals **must** be placed in separate packages and should be completely and properly identified. Late bids **shall not** be considered under any circumstances.
- 4. **PRICES:** Bid unit price F.O.B. destination. In case of errors in extension, unit prices **shall** govern. Prices **shall** be firm and **shall not** be subject to escalation unless otherwise specified in the *Bid Solicitation*. Unless otherwise specified, the bid **must** be firm for acceptance for thirty days from the bid opening date. "Discount from list" bids are not acceptable unless requested in the *Bid Solicitation*.
- 5. **QUANTITIES:** Quantities stated in a *Bid Solicitation* for term contracts are estimates only, and are not guaranteed. Contractor **must** bid unit price on the estimated quantity and unit of measure specified. The State may order more or less than the estimated quantity on term contracts. Quantities stated on firm contracts are actual Requirements of the ordering agency.
- 6. **BRAND NAME REFERENCES:** Unless otherwise specified in the *Bid Solicitation*, any catalog brand name or manufacturer reference used in the *Bid Solicitation* is descriptive only, not restrictive, and used to indicate the type and quality desired. Bids on brands of like nature and quality will be considered. If bidding on other than referenced specifications, the bid **must** show the manufacturer, brand or trade name, and other descriptions, and should include the manufacturer's illustrations and complete descriptions of the product offered. The State **shall** have the right to determine whether a substitute offered is equivalent to and meets the standards of the item specified, and the State may require the Contractor to supply additional descriptive material. The Contractor **shall** guarantee that the product offered will meet or exceed specifications identified in this *Bid Solicitation*. Contractors not bidding an alternate to the referenced brand name or manufacturer **shall** be required to furnish the product according to brand names, numbers, etc., as specified in the solicitation.
- 7. **GUARANTY:** All items bid **shall** be newly manufactured, in first-class condition, latest model and design, including, where applicable, containers suitable for shipment and storage, unless otherwise indicated in the *Bid Solicitation*. The Contractor hereby guarantees that everything furnished hereunder **shall** be free from defects in design, workmanship and material, that if sold by drawing, sample or specification, it **shall** conform thereto and **shall** serve the function for which it was furnished. The Contractor **shall** further guarantee that if the items furnished hereunder are to be installed by the Contractor, such items **shall** function properly when installed. The Contractor **shall** guarantee that all applicable laws have been complied with relating to construction, packaging, labeling and registration. The Contractor's obligations under this paragraph **shall** survive for a period of one year from the date of delivery, unless otherwise specified herein.
- 8. **SAMPLES:** Samples or demonstrators, when requested, **must** be furnished free of expense to the State. Each sample should be marked with the Contractor's name and address, bid or contract number and item number. If requested, samples that are not destroyed during reasonable examination will be returned at Contractor's expense. After reasonable examination, all demonstrators will be returned at Contractor's expense.
- 9. **TESTING PROCEDURES FOR SPECIFICATIONS COMPLIANCE:** Tests may be performed on samples or demonstrators submitted with the bid or on samples taken from the regular shipment. In the event products tested fail to meet or exceed all conditions and Requirements of the specifications, the cost of the sample used and the reasonable cost of the testing **shall** be borne by the Contractor.
- 10. **AMENDMENTS:** Contractor's 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 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 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 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 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. CLAIMS:** Any claims the Contractor may assert under this Agreement shall be brought before the Arkansas State Claims Commission ("Commission"), which shall have exclusive jurisdiction over any and all claims that the Contractor may have arising from or in connection with this Agreement. Unless the Contractor's obligations to perform are terminated by the State, the Contractor shall continue to provide the Services under this Agreement even in the event that the Contractor has a claim pending before the Commission.
- 23. CANCELLATION:** In the event, the State no longer needs the commodities or services specified for any reason, (e.g., program changes; changes in laws, rules or regulations; relocation of offices; lack of appropriated funding, etc.), the State **shall** have the right to cancel the contract or purchase order by giving the Contractor written notice of such cancellation thirty (30) days prior to the date of cancellation.

Any delivered but unpaid for goods will be returned in normal condition to the Contractor by the State. If the State is unable to return the commodities in normal condition and there are no funds legally available to pay for the goods, the Contractor may file a claim with the Arkansas Claims Commission under the laws and regulations governing the filing of such claims. If upon cancellation the Contractor has provided services which the State has accepted, the Contractor may file a claim. **NOTHING IN THIS CONTRACT SHALL BE DEEMED A WAIVER OF THE STATE'S RIGHT TO SOVEREIGN IMMUNITY.**

- 24. DISCRIMINATION:** In order to comply with the provision of Act 954 of 1977, relating to unfair employment practices, the 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.
- 25. 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.
- 26. 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.
- 27. DISCLOSURE:** Failure to make any disclosure required by Governor's Executive Order 98-04, or any violation of any rule, regulation, or policy adopted pursuant to that order, **shall** be a material breach of the terms of this contract. Any Contractor, whether an individual or entity, who fails to make the required disclosure or who violates any rule, regulation, or policy **shall** be subject to all legal remedies available to the agency.