



**STATE OF WASHINGTON
HEALTH CARE AUTHORITY**

REQUEST FOR PROPOSALS (RFP)

RFP NO. 2020HCA4

PROJECT TITLE: Actuarial Consultant Services

PROPOSAL DUE DATE: September 18, 2020 by 2 PM Pacific Standard Time (PST), Olympia, Washington, USA.

E-mailed bids will be accepted. Faxed bids will not.

ESTIMATED TIME PERIOD FOR CONTRACT: January 1, 2021 to June 30, 2023

The Health Care Authority reserves the right to extend the contract for up to four (4) additional two (2)-year periods at the sole discretion of the Health Care Authority.

BIDDER ELIGIBILITY: This procurement is open to those Bidders that satisfy the minimum qualifications stated herein and that are available for work in Washington State.

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RFP EXHIBITS

- Exhibit A: Certifications and Assurances
- Exhibit B: Diverse Business Inclusion Plan
- Exhibit C: Executive Order 18-03
- Exhibit D: Example Work Order
- Exhibit E: Draft Contract including General Terms and Conditions (GT&Cs)

1. INTRODUCTION

1.1. PURPOSE AND BACKGROUND

The Washington State Health Care Authority, hereafter called “HCA,” is initiating this Request for Proposals (RFP) to solicit proposals from firms interested in providing as-needed specialized actuarial and benefits services.

HCA intends to award multiple as-needed contract(s) to provide the services described in this RFP. The execution of an as-needed contract does not guarantee any minimum or maximum amount of work. The amount of actuarial and benefit services that are utilized under an as-needed contract is at HCA’s sole discretion.

Under an as-needed contract, HCA will establish, in coordination with the selected vendor(s), a Work Order request template for all work orders. HCA and the vendor(s) will develop and issue Work Orders detailing specific deliverables, timelines, and budget for services, as work is needed. The Work Order must be signed by authorized representatives of each party prior to work commencing. An example Work Order is provided in Exhibit D.

1.2. BACKGROUND

HCA administers programs that provide health care coverage for nearly 1 in 3 Washington residents as well as community behavioral health services, supports, recovery and prevention efforts for the entire state. HCA is the state’s largest health care purchaser and oversees the Medicaid program (Apple Health), Public Employees Benefits (PEB), and School Employees Benefits (SEB). Through these programs, HCA covers nearly 2.6 million lives.

HCA’s policy and purchasing approaches are focused on transforming the health care delivery system in Washington State. These value-based purchasing strategies are designed to transform care through better health, better care, and lower cost; provide whole-person care through integrating physical and behavioral health services; and utilize data-informed evidence to make purchasing decisions that improve health outcomes.

HCA is seeking contracted services with health benefits and actuarial consultant firm(s), with highly skilled, experienced personnel, that will proactively assist HCA staff in ensuring continued response to the changes in today’s healthcare and employer benefits marketplace and whose services will add a breadth of national healthcare knowledge that will assist in meeting the HCA’s strategic goals.

HCA values consultant(s) that can partner with HCA to:

1. Provide timely and effective leadership in identifying broad-view approaches in guiding the strategic leadership of delivering high-quality and affordable benefits to the State and members;
2. Support development and management of exemplary self-insured plans consistent with the industry;
3. Maintain meaningful choice among high-quality employee benefit plans;
4. Promote a competitive marketplace while improving stability;
5. Ensure plan performance through measurable benchmarks;
6. Provide employer flexibility in plan design, funding, and contracting;
7. Provide quality customer service and stakeholder communications;
8. Use creativity and innovation in plan design, purchasing, and customer service;
9. Provide Centers for Medicare and Medicaid Services (CMS) certified actuarially sound capitation rates to low-income government funded managed care populations;
10. Provide actuarial support for HCA’s Apple Health programs funded by federal sources, such as Medicaid (Title XIX), the State Children’s Health Insurance Program (Title XXI), and state funding;

11. Design benefit plans that compare well with comparable regional employers and align effectively with HCA goals; and
12. Support the rate development data and claims analysis needs of HCA to inform agency health care program decision support.

1.3. OBJECTIVES AND SCOPE OF WORK

HCA has a variety of actuarial and benefits needs throughout the agency that vary in scope and nature. The typical needs and the most impacted agency organizations are described in detail below. However, the largest work efforts are rate setting for the Apple Health managed care organizations, rate setting for the self-insured PEBB and SEBB plans, and rate negotiations with the PEBB and SEBB managed care organizations. HCA typically spends about \$6.0 million for contracted actuarial support each year.

Services may be required for the following HCA programs, projects, and divisions:

1. Public Employees Benefits Board (PEBB)
2. School Employees Benefits Board (SEBB)
3. Apple Health Programs
4. Community Behavioral Health
5. Affordable Care Act
6. Division of Health Care Policy
7. Health Technology Assessment Program
8. Office of the Medical Director
9. Prescription Drug Program
10. Washington Wellness
11. Payment and Delivery System Reform efforts
12. Program of all-inclusive care for the elderly (PACE)

In addition to the above listed HCA programs, projects and divisions, successful firms must be willing to work with other actuarial companies and state agencies on inter-state agency projects and programs.

Employee Benefits Board Programs (PEBB and SEBB)

A. Health Benefits Management Consulting

- i. Provide Proactive Leadership in identifying issues and using a broad-view approach to improve access to high-quality, affordable employee and retiree health care benefits.
- ii. Make benefit design recommendations to improve clinical outcomes, marketability, and plan value. Analysis of proposed benefit design may include:
 - a. Trends in plan design, evidence-based medicine, and value based purchasing on a national, regional, and local level;
 - b. Premium pricing and comparisons with standard practices, norms or benchmarks in the health care industry;
 - c. Other developments in plan design, evidence-based medicine, and value-based purchasing that do not constitute trends but that otherwise are relevant to each program's goals, including:
 - Potential funding mechanisms;
 - Merits of carve-outs or voluntary optional benefits such as life insurance and other optional benefits that employees can pay for;
 - Potential benefits and risks associated with each option, including impact on utilization, cost, and coordination of care;

- Opportunities to improve the quality of health care delivered to members; and
 - Opportunities available to improve affordability to members and the State.
- d. Advice on the relative merits of various consumer-driven health care delivery models and other innovative benefit offerings.
 - e. Provide communication strategies for member outreach and education, including methods to more actively engage the member in health care decisions.
 - f. Inform staff on state and federal legislative activity, court opinions, and federal agency developments related to health care, Section 125 Cafeteria Plan benefits and program members in general.
 - g. Advise on the tax implications for enrollees of new health benefit offerings; provided, however, HCA acknowledges that it has its own legal counsel qualified in health benefits law. HCA recognizes that the Apparent Successful Bidder (ASB) is not a law firm, is not authorized to practice law, and does not provide legal advice to clients.
 - h. Assist staff in completing surveys or conducting focus group discussions.
 - i. Provide assistance with meeting preparation and attend, or actively participate in, the following meetings:
 - Monthly Board meetings or retreats;
 - Various HCA technical, strategic planning, or key stakeholder meetings;
 - Biennial collective bargaining sessions; and
 - Legislative hearings.

B. Benefit Plan Contracting and Performance

- i. Assist HCA in the coordination, solicitation, negotiation, or performance review of benefit contracts. Work may include, but is not limited to:
 - a. Recommend when it is appropriate to solicit proposals from new vendors for contracts supporting the delivery of employee insurance benefits.
 - b. Assist in the development and execution of any Request for Proposal or Renewal for insured carriers, including development of evaluation criteria; consulting, or participating, in vendor negotiations; participation in the solicitation selection committee, implementation planning; and stakeholder briefs.
 - c. Assist with procurements for Third Party Administrators and other contractors to support self-insured plans, as needed.
- ii. Provide advice on vendor contracting, strategic partnerships and health plan performance improvement strategies, including structuring performance incentives in health plan contracts using qualitative and quantitative performance metrics.
- iii. Advise on methods for evaluating and measuring quality improvements and care management in health care delivery systems.
- iv. Assist in the analysis of medical and pharmaceutical claims/encounter data to identify priority disease, care and cost management targets, and assessment of formulary rebate methodologies.
- v. Provide analytical and audit services, including:
 - a. Audits related to formulary rebates, claims payment practices, and contract compliance.
 - b. Auditing Third Party Administrator services for Self-Insured plans, including development of stratified claims samples, examination for proper and timely adjudication of plan benefits, reporting of results, and projections of financial impact of errors.

C. Actuarial Consulting Services

Benefit Costs

- i. Provide financial reporting and actuarial services for self-insured plans, including setting annual plan premiums and quarterly Incurred, but Not Reported (IBNR) Reserves, as well as quarterly review of financial status reports, pricing of alternative benefit designs, and related analysis.
- ii. Provide actuarial consulting services for development of employee premiums for benefit plans, financial and actuarial forecasting of benefit costs of varying levels of benefits and benefit modeling.
- iii. Provide actuarial experience and develop measurements to promote transparency and access to measures on quality of care, utilization and efficiency measures, and cost projections for insured and self-insured benefit plans, including plans with integrated group model delivery systems.
- iv. Provide ongoing actuarial advice regarding risk-sharing arrangements, including alternative funding arrangements for insured contracts.

D. Budget Projections

Assist HCA staff in quarterly monitoring of the current budget projections, including, but not limited to, ad hoc analysis of key budget drivers, research, compilation and preparation of quarterly budget projections, experience/variance analysis reports, and labor/collective bargaining modeling.

E. Risk Management

Assist staff in developing an overall risk management strategy for the PEBB and SEBB medical benefits programs, including methods to manage: risk selection associated with offering multiple health insurance products and health plans; geographic, demographic, and health status risk associated with the PEB population; and the financial exposure associated with new technologies, procedures and pharmaceuticals.

F. Retiree Benefits

- i. Provide actuarial advice regarding retiree health benefits, including, but not limited to projections of GASB 45 liability.
- ii. Provide actuarial attestation associated with collection of any federal Retiree Drug Subsidy, including possible audits.

G. Peer Review

Peer review, as requested, of budget and legislative processes, fiscal notes, legislative mandates or procurement activities to ensure projections, modeling, and assumptions are reasonable. Identification of areas of concern and sensitivity to the brief (1-3 day) turnaround requirements are critical.

Apple Health

A. Apple Health Actuarial Services

- i. Perform actuarial analysis necessary to support Apple Health programs and functions.
- ii. On an as needed basis, perform actuarial analysis and develop recommendations on possible changes to Apple Health program structure, premium subsidy policies and related issues to improve health care quality for Apple Health clients, and overall program cost effectiveness.
- iii. Provide actuarial analysis and evaluation of proposed legislation relating to Apple Health programs to HCA staff and, as needed, staff legislative committees.

- iv. Provide actuarial consulting services for development of capitation rates for Apple Health programs using standard practices, norms, and benchmarks in the health care industry, including the following;
 - a. CMS certification of rates;
 - b. Potential benefits and risks associated with each option, including impact on utilization, cost, and coordination of care;
 - c. Options to improve the quality of health care delivered to Apple Health clients; and
 - d. Improve affordability to the State (i.e., healthcare purchasing).
- v. Work and communicate with Managed Care Organizations (MCO's) to collect and process data including confirmation of completeness and data integrity.
- vi. Provide actuarial services to promote transparency and access to measures on quality of care, utilization, efficiency measures, and cost projections.
- vii. Assist in developing an overall risk management strategy for Apple Health programs, including methods to manage risk selection associated with offering multiple health insurance products and health plans; geographic, demographic, and health status risk associated with the Apple Health population; and the financial exposure associated with new technologies, procedures, and pharmaceuticals.
- viii. Peer review, as requested, of budget and legislative processes, fiscal notes, legislative mandates or procurement activities to ensure projections, modeling, and assumptions are reasonable. Identification of areas of concern and sensitivity to brief turnaround requirements are critical.
- ix. Provide assistance with meeting preparation and attend, or actively participate in various HCA technical, strategic planning, or key stakeholder meetings, and legislative hearings.
- x. Assist in the analysis of medical and pharmaceutical claims/encounter data to cost management targets and assessment of formulary rebate methodologies.
- xi. Assist with declaration responses to legal disputes in collaboration with HCA staff and HCA's Assistant Attorney General.

B. Apple Health Contracts

- i. Assist the Apple Health management team in evaluation of procurement methodology and approaches.
- ii. Assist in the development of criteria for procuring health plan contracts for Apple Health programs, including criteria weighting as necessary.
- iii. Provide assistance with meeting preparation and attend, or actively participate in the coordination, solicitation, negotiation, or performance review of Apple Health program contracts. Work may include, but is not limited to:
 - a. Recommend when it is appropriate to solicit proposals from new vendors for contracts supporting the delivery of benefits.
 - b. Assist in the development and execution of any Request for Proposal (RFP) or Renewal for insured carriers, including development of evaluation criteria; consulting, or taking the lead, in vendor negotiations; participation in the solicitation selection committee, implementation planning; and stakeholder briefs.
 - c. Provide advice on vendor contracting, strategic partnerships and health plan performance improvement strategies, including structuring performance incentives in health plan contracts using qualitative and quantitative performance metrics.
 - d. Assist with negotiations with health plan vendors on their respective medical rate submissions; identify technical problems; work with vendors to identify and correct assumptions, and negotiate appropriate payment amounts based on Legislative funding, populations served, provider networks, financial experience, and other factors that influence rate development.

C. Other HCA Programs

Actuarial & Financial Consulting

- i. Actuarial and financial analysis of selected health services and the Washington State Preferred Drug List;
- ii. State-only health care programs;
- iii. Utilization analysis;
- iv. Cost benefits analysis;
- v. Peer review of work performed by HCA staff;
- vi. Health Services Consulting;
- vii. Market research and trend analysis;
- viii. Communication strategies and activities related to technology assessment, employee wellness, etc.; and
- ix. Public meeting assistance.

1.4. MINIMUM QUALIFICATIONS

The following are the minimum qualifications for Bidders:

- 1.4.1. Licensed to do business in the State of Washington or provide a commitment that it will become licensed in Washington within 30 Calendar Days of being selected as the ASB;
- 1.4.2. Have a minimum of ten (10) years' experience performing health care actuarial and benefit consulting services substantially the same as services listed under this RFP, and has at least one account with a minimum of 5,000 employees;
- 1.4.3. Lead Account Executive (Lead Consultant) and/or Lead Actuary must be designated as Fellow, Society of Actuaries (FSA) and be a Member in good standing of the American Academy of Actuaries (M.A.A.A.);
- 1.4.4. Have a minimum of three (3) years' experience providing CMS certified actuarial rates to state Medicaid managed care programs;

1.5. FUNDING

HCA typically spends about \$6.0 million for contracted actuarial support each year.

HCA intends to award multiple as-needed contract(s) to provide the services described in this RFP. The execution of an as-needed contract does not guarantee any minimum or maximum amount of work. The amount of actuarial and benefit services that are utilized under an as-needed contract is at HCA's sole discretion.

Under an as-needed contract, HCA will establish, in coordination with the selected vendor(s), a Work Order request template for all work orders. HCA and the vendor(s) will develop and issue Work Orders detailing specific deliverables, timelines, and budget for services, as work is needed. The Work Order must be signed by authorized representatives of each party prior to work commencing. An example Work Order is provided in Exhibit D.

Any contracts awarded as a result of this procurement is contingent upon the availability of funding.

1.6. FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT

If the resulting contract is supported by federal funds, such contract may require compliance with the Federal Funding Accountability and Transparency Act (FFATA or the Transparency Act). The purpose of the Transparency Act is to make information available online so the public can see how federal funds are spent.

To comply with the act and be eligible to enter into this contract, the ASB's organization must have a Data Universal Numbering System (DUNS®) number. A DUNS® number provides a method to verify data about your organization. If the organization does not already have one, it may receive a DUNS® number free of charge by contacting Dun and Bradstreet at www.dnb.com.

The ASB may be required to complete a Federal Funding Accountability and Transparency Act (FFATA) Data Collection Form which must be returned with the signed contract. If applicable, the contract will not be executed until this form has been properly completed, executed, and received by the agency.

Required information about the contracting organization and this contract will be made available on USASpending.gov by HCA as required by P.L. 109-282. As a tool to provide the information, HCA encourages registration with the Central Contractor Registry (CCR) because less data entry and re-entry is required on behalf of both HCA and the contracting organization. Registration can be done with CCR online at <https://www.uscontractorregistration.com/>.

1.7. PERIOD OF PERFORMANCE

The period of performance of any contract resulting from this RFP is tentatively scheduled to begin on or about January 1, 2021 and to end on June 30, 2023. Amendments extending the period of performance, if any, will be at the sole discretion of HCA.

HCA reserves the right to extend the contract for up to four (4) additional two (2) - year periods.

1.8. CONTRACTING WITH CURRENT OR FORMER STATE EMPLOYEES

Specific restrictions apply to contracting with current or former state employees pursuant to chapter 42.52 of the Revised Code of Washington. Bidders should familiarize themselves with the requirements prior to submitting a proposal that includes current or former state employees.

1.9. DEFINITIONS

Definitions for the purposes of this RFP include:

Apparent Successful Bidder (ASB) – The Bidder selected as the entity to perform the anticipated services under this RFP, subject to completion of contract negotiations and execution of a written contract.

Bidder – An Individual or company interested in the RFP that submits a proposal in order to attain a contract with the Health Care Authority.

Calendar Day(s) – Any day of the week, month, or year, including weekends and holidays. When the term “day” is not specified, this definition of Calendar Day shall prevail.

Health Care Authority (HCA) – An executive agency of the state of Washington that is issuing this RFP.

Lead Actuary(s) – The Bidder's principal consultant(s) overseeing any work resulting from this RFP.

Mandatory or (M) – The Bidder must comply with the requirement, and the Response will be evaluated on a pass/fail basis.

Mandatory Scored or (MS) – The Bidder must comply with the requirement, and the Response will be scored.

Proposal – A formal offer submitted in response to this solicitation.

Request for Proposals (RFP) – Formal procurement document in which a service or need is identified but no specific method to achieve it has been chosen. The purpose of an RFP is to permit the bidder community to suggest various approaches to meet the need at a given price.

Subcontractor – One not in the employment of Bidder, who is performing all or part of the business activities under this RFP under a separate contract with Bidder. The term “Subcontractor” means Subcontractor(s) of any tier.

Work Order – Contractual document containing specific statement(s) of work issued under any as-needed contract awarded as a result of this RFP. Each Work Order must be within the scope of the as-needed contract must be signed by authorized representatives of each party prior to work commencing

1.10. ADA

HCA complies with the Americans with Disabilities Act (ADA). Bidders may contact the RFP Coordinator to receive written information in another format (e.g. large print, audio, accessible electronic formats, and other formats).

2. GENERAL INFORMATION FOR BIDDERS

2.1. RFP COORDINATOR

The RFP Coordinator is the sole point of contact in HCA for this procurement. All communication between the Bidder and HCA upon release of this RFP must be with the RFP Coordinator, as follows:

Primary RFP Coordinator	Mayra Ledesma
Alternate RFP Coordinator	Laura Shayder
E-Mail Address	HCAProcurements@hca.wa.gov

Any other communication will be considered unofficial and non-binding on HCA. Bidders are to rely on written statements issued by the RFP Coordinator. Communication directed to parties other than the RFP Coordinator may result in disqualification of the Bidder.

2.2. ESTIMATED SCHEDULE OF PROCUREMENT ACTIVITIES

This RFP is being issued under the following Schedule. The Response deadlines are Mandatory and non-negotiable. Failure to meet any of the required deadlines (dates and times) may result in disqualification from participation.

Issue Request for Proposals	July 15, 2020
Letters of Intent to Propose Due	July 31, 2020
Questions Due	August 7, 2020 – 2:00 PM (PT)
Answers Posted	August 18, 2020
Proposals Due	September 18, 2020 - 2:00 (PT)
Evaluate Proposals	September 21, 2020 – September 29, 2020
Conduct Oral Interviews with Finalists, if required	October 6-7, 2020
Announce “Apparent Successful Bidder(s)” and send notification via e-mail to unsuccessful Bidders	October 23, 2020
Hold Debriefing Conferences (if requested)	October 26, 2020 – October 30, 2020
Negotiate Contract(s)	November 2, 2020 – December 31, 2020
Begin Contract Work	January 1, 2021

HCA reserves the right in its sole discretion to revise the above schedule and to waive informalities or deficiencies.

2.3. LETTER OF INTENT TO PROPOSE (MANDATORY)

Bidders must submit a Letter of Intent (LOI) to be eligible to submit a Proposal in response to this RFP.

The LOI must be emailed to the RFP Coordinator, listed in Section 2.1, *RFP Coordinator*, and must be received by the RFP Coordinator no later than the date and time stated Section 2.2, *Estimated Schedule of Procurement Activities*. The subject line of the email must include the following: [Procurement #] – Letter of Intent to Propose – [Your entity's name].

The LOI may be attached to the email as a separate document, in Word or PDF, or the information may be contained in the body of the email.

Information in the LOI should be placed in the following order:

- A. Bidder's Organization Name;
- B. Bidder's authorized representative for this RFP (who must be named the authorized representative identified in the Bidder's Proposal);
- C. Title of authorized representative;
- D. Address, telephone number, and email address;
- E. Statement of intent to propose;
- F. A description of how the Bidder meets ALL of the minimum requirements specified in Section 1.4, *Minimum Qualifications*, of this RFP.

HCA may use the LOIs as a pre-screening to determine whether Minimum Qualifications are met.

2.4. SUBMISSION OF PROPOSALS

The proposal must be received by the RFP Coordinator no later than the Proposal Due deadline in Section 2.2, *Estimated Schedule of Procurement*.

Proposals must be submitted electronically as an attachment to an e-mail to the RFP Coordinator at the e-mail address listed in Section 2.1. Attachments to e-mail should be in Microsoft Word format or PDF. Zipped files cannot be received by HCA and cannot be used for submission of proposals. The cover submittal letter and the Certifications and Assurances form must have a scanned signature of the individual within the organization authorized to bind the Bidder to the offer. HCA does not assume responsibility for problems with Bidder's e-mail. If HCA e-mail is not working, appropriate allowances will be made.

Proposals may not be transmitted using facsimile transmission.

Bidders should allow sufficient time to ensure timely receipt of the proposal by the RFP Coordinator. Late proposals will not be accepted and will be automatically disqualified from further consideration, unless HCA e-mail is found to be at fault. All proposals and any accompanying documentation become the property of HCA and will not be returned.

2.5. PROPRIETARY INFORMATION / PUBLIC DISCLOSURE

Proposals submitted in response to this RFP will become the property of HCA. All proposals received will remain confidential until the ASB is announced; thereafter, the proposals will be deemed public records as defined in chapter 42.56 of the Revised Code of Washington (RCW).

Any information in the proposal that the Bidder desires to claim as proprietary and exempt from disclosure under chapter 42.56 RCW, or other state or federal law that provides for the nondisclosure of a document, must be clearly designated. The information must be clearly identified and the particular exemption from disclosure upon which the Bidder is making the claim must be cited. Each page containing the information claimed to be exempt from disclosure must be clearly identified by

the words "Proprietary Information" printed on the lower right hand corner of the page. Marking the entire proposal exempt from disclosure or as Proprietary Information will not be honored.

If a public records request is made for the information that the Bidder has marked as "Proprietary Information," HCA will notify the Bidder of the request and of the date that the records will be released to the requester unless the Bidder obtains a court order enjoining that disclosure. If the Bidder fails to obtain the court order enjoining disclosure, HCA will release the requested information on the date specified. If a Bidder obtains a court order from a court of competent jurisdiction enjoining disclosure pursuant to chapter 42.56 RCW, or other state or federal law that provides for nondisclosure, HCA will maintain the confidentiality of the Bidder's information per the court order.

A charge will be made for copying and shipping, as outlined in RCW 42.56. No fee will be charged for inspection of contract files, but 24 hours' notice to the RFP Coordinator is required. All requests for information should be directed to the RFP Coordinator.

The submission of any public records request to HCA pertaining in any way to this RFP will not affect the procurement schedule, as outlined in Section 2.2, unless HCA, in its sole discretion, determines that altering the schedule would be in HCA's best interests.

2.6. REVISIONS TO THE RFP

HCA reserves the right to amend this RFP at any time prior to contract award. HCA will post any RFP amendments to WEBS located at <https://pr-webs-customer.des.wa.gov/>. In addition to being posted to WEBS, HCA may also, but will not be obligated to, post amendments to its internet located at <http://www.hca.wa.gov/about-hca/bids-and-contracts>, and/or directly email amendments to Bidders that have expressed an interest in submitting a Proposal.

HCA also reserves the right to request additional information to determine if the Bidder can successfully meet the requirements of the RFP.

If a conflict exists between amendments, between an amendment and the RFP, or between multiple amendments, the document last in time controls. If a conflict exists between any document posted to WEBS and any document posted to HCA's internet site or sent directly to Bidders, the document posted to WEBS shall control. Published Bidders' questions and HCA's official answers will be issued as an amendment to the RFP.

HCA reserves the right, in its sole discretion, to cancel or amend this RFP at any time and for any reason.

2.7. DIVERSE BUSINESS INCLUSION PLAN

Bidders will be required to submit a Diverse Business Inclusion Plan with their proposal. In accordance with legislative findings and policies set forth in RCW 39.19, the state of Washington encourages participation in all contracts by firms certified by the Office of Minority and Women's Business Enterprises (OMWBE), set forth in RCW 43.60A.200 for firms certified by the Washington State Department of Veterans Affairs, and set forth in RCW 39.26.005 for firms that are Washington Small Businesses. Participation may be either on a direct basis or on a subcontractor basis. However, no preference on the basis of participation is included in the evaluation of Diverse Business Inclusion Plans submitted, and no minimum level of minority- and women-owned business enterprise, Washington Small Business, or Washington State certified Veteran Business participation is required as a condition for receiving an award. Any affirmative action requirements set forth in any federal governmental regulations included or referenced in the contract documents will apply.

2.8. ACCEPTANCE PERIOD

Proposals must provide one hundred twenty (120) Calendar Days for acceptance by HCA from the due date for receipt of proposals.

2.9. COMPLAINT PROCESS

- 2.9.1. Bidders may submit a complaint to HCA based on any of the following:
 - 2.9.1.1. The RFP unnecessarily restricts competition;
 - 2.9.1.2. The RFP evaluation or scoring process is unfair or unclear; or
 - 2.9.1.3. The RFP requirements are inadequate or insufficient to prepare a response.
- 2.9.2. A complaint must be submitted to HCA prior to five business days before the bid response deadline. The complaint must:
 - 2.9.2.1. Be in writing;
 - 2.9.2.2. Be sent to the RFP Coordinator in a timely manner;
 - 2.9.2.3. Clearly articulate the basis for the complaint; and
 - 2.9.2.4. Include a proposed remedy.

The RFP Coordinator will respond to the complaint in writing. The response to the complaint and any changes to the RFP will be posted on WEBS. The Director of HCA will be notified of all complaints and will be provided a copy of HCA's response. A Bidder or potential Bidder cannot raise during a bid protest any issue that the Bidder or potential Bidder raised in a complaint. HCA's action or inaction in response to a complaint will be final. There will be no appeal process.

2.10. RESPONSIVENESS

The RFP Coordinator will review all proposals to determine compliance with administrative requirements and instructions specified in this RFP. A Bidder's failure to comply with any part of the RFP may result in rejection of the proposal as non-responsive.

HCA also reserves the right at its sole discretion to waive minor administrative irregularities.

2.11. MOST FAVORABLE TERMS

HCA reserves the right to make an award without further discussion of the proposal submitted. Therefore, the proposal should be submitted initially on the most favorable terms which the Bidder can propose. HCA reserve the right to contact a Bidder for clarification of its proposal.

HCA also reserves the right to use a Best and Final Offer (BAFO) before awarding any contract to further assist in determining the ASB(s).

The ASB should be prepared to accept this RFP for incorporation into a contract resulting from this RFP. The contract resulting from this RFP will incorporate some, or all, of the Bidder's proposal. The proposal will become a part of the official procurement file on this matter without obligation to HCA.

2.12. CONTRACT AND GENERAL TERMS & CONDITIONS

The ASB(s) will be expected to enter into a contract which is substantially the same as the draft Contract and its general terms and conditions included as Exhibit E. HCA will not accept any draft contracts prepared by any Bidder. The Bidder must be prepared to agree to all terms of the attached draft Contract as presented or the Proposal may be rejected. Bidders must include a copy of the draft Contract with their proposals that shows the changes they propose be made if selected as an ASB. If the Bidder fails to identify an objection to any particular term or condition, the term or condition will be

deemed agreed to by the Bidder. HCA will review requested exceptions and accept or reject the same at its sole discretion.

If, after the announcement of the ASB(s), and after a reasonable period of time, the ASB(s) and HCA cannot reach agreement on acceptable terms for the Contract, the HCA may cancel the selection and Award the Contract to the next most qualified Bidder.

2.13. COSTS TO PROPOSE

HCA will not be liable for any costs incurred by the Bidder in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or any other activities related in any way to this RFP.

2.14. RECEIPT OF INSUFFICIENT NUMBER OF PROPOSALS

If HCA receives only one responsive proposal as a result of this RFP, HCA reserves the right to either: 1) directly negotiate and contract with the Bidder; or 2) not award any contract at all. HCA may continue to have the bidder complete the entire RFP. HCA is under no obligation to tell the Bidder if it is the only Bidder.

2.15. NO OBLIGATION TO CONTRACT

This RFP does not obligate HCA to enter into any contract for services specified herein.

2.16. REJECTION OF PROPOSALS

HCA reserves the right, at its sole discretion, to reject any and all proposals received without penalty and not to issue any contract as a result of this RFP.

2.17. COMMITMENT OF FUNDS

The Director of HCA or his/her delegate is the only individual who may legally commit HCA to the expenditures of funds for a contract resulting from this RFP. No cost chargeable to the proposed contract may be incurred before receipt of a fully executed contract.

2.18. ELECTRONIC PAYMENT

The state of Washington prefers to utilize electronic payment in its transactions. The ASB will be provided a form to complete with the contract to authorize such payment method.

2.19. INSURANCE COVERAGE

As a requirement of the resultant contract, the ASB is to furnish HCA with a certificate(s) of insurance executed by a duly authorized representative of each insurer, showing compliance with the insurance requirements set forth below.

The ASB must, at its own expense, obtain and keep in force insurance coverage which will be maintained in full force and effect during the term of the contract. The ASB must furnish evidence in the form of a Certificate of Insurance that insurance will be provided, and a copy must be forwarded to HCA within 15 days of the contract effective date.

2.19.1. Liability Insurance

- 2.19.1.1. Commercial General Liability Insurance: ASB will maintain commercial general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than \$1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit must be at least twice the “each occurrence” limit. CGL insurance must have products-completed operations aggregate limit of at least two times the “each occurrence” limit. CGL insurance must be written on ISO occurrence form CG 00 01 (or a substitute form providing equivalent coverage). All insurance must cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insureds (cross liability) condition.

Additionally, the ASB is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

- 2.19.1.2. Business Auto Policy: As applicable, the ASB will maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident. Such insurance must cover liability arising out of “Any Auto.” Business auto coverage must be written on ISO form CA 00 01, 1990 or later edition, or substitute liability form providing equivalent coverage.

2.19.2. Employers Liability (“Stop Gap”) Insurance

In addition, the ASB will buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

- 2.19.3. Cyber-Liability Insurance / Privacy Breach Coverage. For the purposes of this section the following definitions apply:

Breach – means the unauthorized acquisition, access, use, or disclosure of Data shared under any resulting Contract that compromises the security, confidentiality, or integrity of the Data.

Confidential Information – is information that is exempt from disclosure to public or other unauthorized persons under 42.56 RCW or other federal or state laws. Confidential Information includes, but is not limited to, Personal Information and Protected Health Information.

Data – means information that is disclosed or exchanged between HCA and Apparent Successful Bidder. Data includes Confidential Information.

Personal Information – means information identifiable to any person, including but not limited to, information that relates to a person’s name, health, finances, education, business, use, or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver’s license numbers, credit card numbers, any other identifying numbers, and any financial identifiers.

Protected Health Information (PHI) – means information that relates to the provision of health care to an individual, the past, present, or future physical or mental health or condition of an individual, the past, present, or future payment for provision of health care to an individual. PHI includes demographic information that identifies the individual or about which there is reasonable basis to believe, can be used to identify the individual. PHI is information transmitted, maintained, or stored in any form or medium. PHI does not include education records covered by the Family Educational Right and Privacy Act, as amended.

For the term of any resulting Contract and three (3) years following its termination or expiration, ASB must maintain insurance to cover costs incurred in connection with a security incident, privacy Breach, or potential compromise of Data, including:

- 2.19.3.1. Computer forensics assistance to assess the impact of a Data Breach, determine root cause, and help determine whether and the extent to which notification must be provided to comply with Breach notification laws;
- 2.19.3.2. Notification and call center services for individuals affected by a security incident, or privacy Breach;
- 2.19.3.3. Breach resolution and mitigation services for individuals affected by a security incident or privacy Breach, including fraud prevention, credit monitoring, and identity theft assistance; and
- 2.19.3.4. Regulatory defense, fines, and penalties from any claim in the form of a regulatory proceeding resulting from a violation of any applicable privacy or security law(s) or regulation(s).

2.19.4. Additional Provisions

Above insurance policy must include the following provisions:

- 2.19.4.1. Additional Insured. The state of Washington, HCA, its elected and appointed officials, agents and employees must be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with this contract must be primary as to any other insurance or self-insurance programs afforded to or maintained by the state.
- 2.19.4.2. Cancellation. State of Washington, HCA, must be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. Insurers subject to 48.18 RCW (Admitted and Regulation by the Insurance Commissioner): The insurer must give the state 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the state must be given ten days advance notice of cancellation. Insurers subject to 48.15 RCW (Surplus lines): The state must be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the state must be given ten days advance notice of cancellation.
- 2.19.4.3. Identification. Policy must reference the state's contract number and HCA.
- 2.19.4.4. Insurance Carrier Rating. All insurance and bonds should be issued by companies admitted to do business within the state of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception must be reviewed and approved by HCA's Risk Manager, or the Risk Manager for the state of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with chapter 48.15 RCW and 284-15 WAC.
- 2.19.4.5. Excess Coverage. By requiring insurance herein, the state does not represent that coverage and limits will be adequate to protect ASB, and such coverage and limits will not limit ASB's liability under the indemnities and reimbursements granted to the state in this Contract.

2.19.5. Workers' Compensation Coverage

The ASB will at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. The state will not be held responsive in any way for claims filed by the ASB or their employees for services performed under the terms of this contract.

3. PROPOSAL CONTENTS

Proposals must be written in English and submitted electronically to the RFP Coordinator in the order noted below:

- A. Letter of Submittal, including signed Certifications and Assurances (Exhibit A)
- B. Subcontractors
- C. Organizational Capabilities
- D. Staff Qualifications
- E. Cost Proposal
- F. Diverse Business Inclusion Plan (Exhibit B)
- G. Executive Order 18-03 (Exhibit C)
- H. Draft Contract (Exhibit E)

Proposals must provide information in the same order as presented in this document with the same headings.

Items marked “mandatory” must be included as part of the proposal for the proposal to be considered responsive; however, these items are not scored. Items marked “scored” are those that are awarded points as part of the evaluation conducted by the evaluation team.

For **Mandatory Requirements (M)**, the Proposal must always indicate explicitly whether or not the Bidder’s proposed services meet the requirement. A statement, “(Bidder Name) has read, understands, and fully complies with this requirement” is acceptable, along with any additional information requested.

For **Mandatory Scored requirements (MS)**, the Proposal must always indicate explicitly whether or not the Bidder’s proposed goods and services meet the requirement, and describe how the Bidder’s proposed goods and services will accomplish each requirement.

3.1. LETTER OF SUBMITTAL (M)

The Letter of Submittal and the attached Certifications and Assurances form (Exhibit A) must be signed and dated by a person authorized to legally bind the Bidder to a contractual relationship, e.g., the President or Executive Director if a corporation, the managing partner if a partnership, or the proprietor if a sole proprietorship. Along with introductory remarks, the Letter of Submittal is to include by attachment the following information about the Bidder and any proposed subcontractors:

- 3.1.1. Name, address, principal place of business, telephone number, and fax number/e-mail address of legal entity or individual with whom contract would be written.
- 3.1.2. Name, address, and telephone number of each principal officer (President, Vice President, Treasurer, Chairperson of the Board of Directors, etc.).
- 3.1.3. Legal status of the Bidder (sole proprietorship, partnership, corporation, etc.) and the year the entity was organized to do business as the entity now substantially exists.
- 3.1.4. Federal Employer Tax Identification number or Social Security number and the Washington Uniform Business Identification (UBI) number issued by the state of Washington Department

of Revenue. If the Bidder does not have a UBI number, the Bidder must state that it will become licensed in Washington within 30 Calendar Days of being selected as the ASB.

- 3.1.5. Duns and Bradstreet Number.
- 3.1.6. Location of the facility from which the Bidder would operate.
- 3.1.7. Identify any state employees or former state employees employed or on the firm's governing board as of the date of the proposal. Include their position and responsibilities within the Bidder's organization. If following a review of this information, it is determined by HCA that a conflict of interest exists, the Bidder may be disqualified from further consideration for the award of a contract.
- 3.1.8. Any information in the proposal that the Bidder desires to claim as proprietary and exempt from disclosure under the provisions of RCW 42.56 must be clearly designated. The page must be identified and the particular exemption from disclosure upon which the Bidder is making the claim must be listed. Each page claimed to be exempt from disclosure must be clearly identified by the word "Proprietary" printed on the lower right hand corner of the page. In your Letter of Submittal, please list which pages and sections that have been marked "Proprietary" and the particular exemption from disclosure upon which the Bidder is making the claim.

3.2. SUBCONTRACTORS (M)

In order to achieve the best combination of experience and skill, Bidders may contract with other firms to provide improved solutions that are in the best interest of the State and the Bidder. In all instances of Bidder relationships with other parties, one Bidder must serve as the Prime Contractor and bear the responsibility for successful performance of this engagement. If any such relationships are proposed, the Bidder's proposal must:

- 3.2.1. Identify and describe any relationship with another party.
- 3.2.2. Describe in detail Bidder's management of subcontractor relationships to ensure high quality performance of all subcontractor functions.
- 3.2.3. Agree that any and all such relationships, including "advisors", must be subcontractors to the Bidder and that the Bidder must be the Prime Contractor.
- 3.2.4. Agree that, as the Prime Contractor, Bidder accepts full responsibility for successful performance of the entire Scope of Work requested in this RFP and will indemnify the State for the acts and omissions of its subcontractors.
- 3.2.5. Agree that HCA has the same rights to remove subcontractor or other parties as it does Bidder staff.

3.3. ORGANIZATIONAL CAPABILITIES (MS, except 3.3.9 and 3.3.10)

- 3.3.1. Provide a brief description of Bidder's firm, including primary business location(s), size, areas of specialization and expertise, ownership structure, customer base and any other pertinent information that would aid an evaluator in formulating a determination about the stability and strength of the Bidder, as well as the value and commitment of the Bidder as a resource to HCA.

- 3.3.2. Indicate Bidder's experience providing similar services. State how many years the organization has been providing health care actuarial and benefit services. Include information for any subcontractors in your answer.
- 3.3.3. Confirm you have served as a health care actuarial and benefit consultant for at least ten (10) years with at least one (1) account that has a minimum of 5,000 employees, within the last five (5) years.
- 3.3.4. Confirm you have at least three (3) years' experience providing actuarial rates to state Medicaid managed care programs. Provide an overview of the organizations experience with Medicaid managed care programs.

3.3.5. Team Structure

- a) Identify the total number of employees or staff resources available to provide services relative to this RFP.
- b) Provide a description of the proposed team structure to be used during the life of the contract, including any subcontractors. If the team will vary by health care program (i.e. separate teams for Apple Health, PEBB, and SEBB) please provide the team structure by program.
- c) Provide an organizational chart of your firm indicating lines of authority for personnel involved in performance of this potential contract and relationships of this staff to other programs or functions of the firm. This chart must also show lines of authority to the next senior level of management. Include who within the firm will have prime responsibility and final authority for the work.

3.3.6. Internal Controls

Describe the internal controls to be used during the course of the contract to ensure that the work is performed timely and up to quality standards, including meeting contract performance expectations. Include a detailed description of how your organization has successfully addressed client concerns with your work products. For example, provide details about processes, policies, or procedures used to resolve, quality control company practices used to ensure the quality and accuracy of client requested data or work, and billing controls used to ensure work was requested and billed for from only approved client authorized individuals. Provide examples or data that reflect your internal control standards

3.3.7. Account/Client Management Philosophy

Describe your organization's account/client management philosophy and approach. Include how you ensure that client deliverables are accurate, timely, and meaningful to the client. For example, provide details about your company processes or procedures on how your organization resolves situations when deliverables are not delivered on time, quality control processes used to ensure client customer services expectations are met, any time-sensitive communication policies or practices your company uses to respond back to client questions, and billing practices for deliverables found to be in error where the bidder's company was found to be at fault.

3.3.8. Resources

Describe how you will assign sufficient staff to ensure adequate support for HCA's needs described in this RFP. The needs described in this RFP may have competing priorities and concurrent deadlines; therefore include a description of your ability, if any, to draw from resources in your firm's organization both locally and nationally to assist in meeting the needs described in this RFP and during periods of peak work demands. Provide

examples of local and national resources available to your organization and how they will benefit the programs and activities identified in this RFP.

3.3.9. Related Information (M)

- a) If the Bidder or any subcontractor contracted with the state of Washington during the past 24 months, indicate the name of the agency, the contract number, and project description and/or other information available to identify the contract.
- b) If the Bidder's staff or subcontractor's staff was an employee of the state of Washington during the past 24 months, or is currently a Washington State employee, identify the individual by name, the agency previously or currently employed by, job title or position held, and separation date.
- c) If the Bidder has had any restrictions or pending reviews by state or federal authorities for non-compliance with state or federal regulations. If yes, please provide details for the past three (3) years including outcomes.
- d) If the Bidder has had a contract terminated for default in the last five (5) years, describe such incident. Termination for default is defined as notice to stop performance due to the Bidder's non-performance or poor performance and the issue of performance was either (a) not litigated due to inaction on the part of the Bidder, or (b) litigated and such litigation determined that the Bidder was in default.
- e) Submit full details of the terms for default including the other party's name, address, and phone number. Present the Bidder's position on the matter. HCA will evaluate the facts and may, at its sole discretion, reject the proposal on the grounds of the past experience. If no such termination for default has been experienced by the Bidder in the past five years, so indicate.
- f) Describe involvement in any litigation in the last five (5) years that is substantially similar to the services to be provided under this RFP.

3.3.10. OMWBE Certification (OPTIONAL AND NOT SCORED)

Include proof of certification issued by the Washington State Office of Minority and Women's Business Enterprises (OMWBE) if certified minority-owned firm and/or women-owned firm(s) will be participating on this project. For information: <http://www.omwbe.wa.gov>.

3.4. STAFF QUALIFICATIONS (MS, except 3.4.8)

The State requires the Bidder to provide a team (or multiple teams) with appropriate skill levels and knowledge to perform the services relevant to the scope and object of this RFP.

- 3.4.1. Provide résumés for the named Lead Actuary(s) for each proposed team. The résumés must include information on the individual's education, degrees, and professional certifications, significant accomplishments and any other pertinent information and that demonstrate the team has the following:
 - 3.4.1.1. Academic training that meets or exceeds the minimum qualifications;
 - 3.4.1.2. Professional actuarial certification(s);
 - 3.4.1.3. Key account experience (with emphasis on accounts located in the state of WA);
 - 3.4.1.4. Experience in CMS certified actuarially sound capitation rates.

- 3.4.2. The Bidder must designate a Lead with prior experience providing similar services to be the primary point of contact for administration and contract management for this engagement. Provide a representative list of three (3) but not more than five (5) contracts still in force that the Lead has managed during the last three (3) years for employer groups of 5,000 or more employees similar to the work called for under this RFP. Provide contact information for the representative contracts provided.
- 3.4.3. Provide an overview of the Lead's relevant experience, where services were comparable to HCA's needs, as described in this RFP. The summary of experience must include attributes such as:
 - 3.4.3.1. Experience as Prime Health Care Benefits Actuary/Consultant for a large employer group(s) with a benefit portfolio and scope of services similar to that managed by HCA. Describe the number of current large employer group clients served in the last three (3) years, the number of members served for each group, a summary of the Bidder's role, and the number of years of experience as a Prime Health Care Benefits Actuary/Consultant.
 - 3.4.3.2. Experience with self-insured plans comparable to the needs described in this RFP. Please include number of years of experience with self-insured plans.
 - 3.4.3.3. Experience with Medicaid Managed Care Plans and computing CMS capitation rates comparable to the needs described in this RFP. Please include number of years of experience with Medicaid Managed Care Plans.
 - 3.4.3.4. Experience with risk adjustment processes and procedures comparable to the needs described in Section 1.3, *Objectives and Scope of Work*. Identify the preferred risk adjustment software used by the Bidder. Please include number of years of experience with risk adjustment processes and procedures.
- 3.4.4. Provide a representative list of three (3) employer group health care benefits consulting contracts that the Bidder has managed during the last three (3) years, which must include at least one (1) large employer group that includes a minimum of 5,000 covered lives through insured and self-insured health benefits. List a contract reference number, a description of the services performed and outcomes achieved, contract period of performance, contact persons' name, telephone number, and e-mail address for each contract. Do not include current HCA staff as references. By submitting a proposal in response to this RFP, the vendor and team members grant permission to HCA to contact these references and others, who from HCA's perspective, may have pertinent information. HCA may or may not, at HCA's discretion, contact references. HCA may evaluate references at HCA's discretion. Contract examples provided under this subsection may be the same as provided in other subsections.
- 3.4.5. Provide a representative list of at least three (3) employer group health care benefits consulting contracts that the Lead Actuary(s) have managed during the last three (3) years, which must include at least one (1) large employer group that includes a minimum of 50,000 covered lives, where the majority of the covered lives are enrolled in self-insured health plans. List a contract reference number, a description of the services performed and outcomes achieved, contract period of performance, contact persons' name, telephone number, and e-mail address for each contract. Do not include current HCA staff as references. By submitting a proposal in response to this RFP, the vendor and team members grant permission to HCA to contact these references and others, who from HCA's perspective, may have pertinent information. HCA may or may not, at HCA's discretion, contact references. HCA may evaluate references at HCA's discretion. Contract examples provided under this subsection may be the same as provided in other subsections.

- 3.4.6. Provide a representative list of three (3) to five (5) Medicaid consulting contracts where the Bidder has computed CMS certified actuarially sound capitation rates in the last three (3) years. One (1) of the examples must include computed rates for at least three (3) managed care organization (MCO) plans. List a contract reference number, a description of the services performed and outcomes achieved, contract period of performance, contact persons' name, telephone number, and e-mail address for each contract. Do not include current HCA staff as references. By submitting a proposal in response to this RFP, the vendor and team members grant permission to HCA to contact these references and others, who from HCA's perspective, may have pertinent information. HCA may or may not, at HCA's discretion, contact references. HCA may evaluate references at HCA's discretion. Contract examples provided under this subsection may be the same as provided in other subsections.
- 3.4.7. Provide a representative list of three (3) to five (5) Medicaid consulting contracts where the Bidder has provided services other than managed care capitation rates in the last three (3) years. List a contract reference number, a description of the services performed and outcomes achieved, contract period of performance, contact persons' name, telephone number, and e-mail address for each contract. Do not include current HCA staff as references. By submitting a proposal in response to this RFP, the vendor and team members grant permission to HCA to contact these references and others, who from HCA's perspective, may have pertinent information. HCA may or may not, at HCA's discretion, contact references. HCA may evaluate references at HCA's discretion. Contract examples provided under this subsection may be the same as provided in other subsections.
- 3.4.8. (M) The Bidder must commit that staff identified in its Proposal will be available to provide services during the initial term of the resulting Contract (January 1, 2021 – June 30, 2023).

3.5. EXECUTIVE ORDER 18-03 (MS)

Pursuant to RCW 39.26.160(3) and consistent with Executive Order 18-03 – Supporting Workers' Rights to Effectively Address Workplace Violations (dated June 12, 2018), HCA will evaluate bids for best value and provide a bid preference in the amount of 25 points to any Bidder who certifies, pursuant to the certification attached as Exhibit C, that their firm does NOT require its employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waiver. Bidders that do require their employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waiver will not be disqualified evaluation of this RFP, however they will receive 0 out of 25 points for this section.

3.6. COST PROPOSAL

The evaluation process is designed to award this procurement not necessarily to the Bidder(s) of least cost, but rather to the Bidder(s) whose proposal(s) best meet the requirements of this RFP. However, Bidders are encouraged to submit proposals which are consistent with state government efforts to conserve state resources.

3.6.1. Identification of Costs (MS)

Complete the following Fee Proposal Table. For each Professional Staff Category, identify the fully-burdened hourly rates for performing the services as described in this RFP (whole dollar amounts only). The hourly rate should be inclusive of all costs of performing the work, including travel (time and cost) and other overhead expenses. Bidders are required to collect and pay Washington state sales and use taxes, as applicable.

Please attach the billing rates for any additional staff categories beyond the key staff categories who may work on work orders under this RFP. The fees for any additional staff categories will not be scored and are for information purposes only. Please note, if any professional staff or subcontractors are certified by the Office of Minority and Women's Business Enterprises.

Fee Proposal Table	
Name of Firm:	
Key Professional Staff Categories	Hourly Rate
Lead Actuary/Account Executive	\$
Senior Actuary (5+ years' experience)	\$
Actuary (FSA)	\$
Actuarial Analyst	\$

The rates provided in the Fee Proposal Table will be the maximum of hourly professional charges for any services provided under any resulting contract, for the initial term of the signed contract, unless otherwise agreed upon in writing.

Rates may be changed at time of renewal. Any rate changes will be subject to approval and negotiations by HCA.

4. EVALUATION AND CONTRACT AWARD

4.1. EVALUATION PROCEDURE

Responsive Proposals will be evaluated strictly in accordance with the requirements stated in this RFP and any addenda issued. The evaluation of proposals will be accomplished by an evaluation team(s), to be designated by HCA, which will determine the ranking of the proposals. Evaluations will only be based upon information provided in the Bidder's Proposal.

All proposals received by the stated deadline, Section 2.2, *Estimated Schedule of Procurement Activities*, will be reviewed by the RFP Coordinator to ensure that the Proposals contain all of the required information requested in the RFP. Only responsive Proposals that meet the requirements will be evaluated by the evaluation team. Any Bidder who does not meet the stated qualifications or any Proposal that does not contain all of the required information will be rejected as non-responsive.

The RFP Coordinator may, at his or her sole discretion, contact the Bidder for clarification of any portion of the Bidder's Proposal. Bidders should take every precaution to ensure that all answers are clear, complete, and directly address the specific requirement.

Responsive Proposals will be reviewed and scored by an evaluation team using a weighted scoring system, Section **Error! Reference source not found.**, *Evaluation Weighting and Scoring*. Proposals will be evaluated strictly in accordance with the requirements set forth in this RFP and any addenda issued.

HCA, at its sole discretion, may elect to select the top-scoring firms as finalists for an oral presentation.

4.2. EVALUATION TABLE

The following maximum available points will be assigned to the proposal for evaluation purposes:

Stage 1 Scoring		Total Possible Points
Organizational Capabilities (Section 3.3)	Subsection Points	175
Description of Bidder's Firm (Subsection 3.3.1, 3.3.2)	25	
Team Structure (Subsection 3.3.5)	50	
Internal Controls (Subsection 3.3.6)	50	
Account/Client Management Philosophy (Subsection 3.3.7)	25	
Resources (Subsection 3.3.8)	25	
Staff Qualifications (Section 3.4)	Subsection Points	600
Team Qualifications (Subsection 3.4.1)	200	
Proposed Lead Actuary Qualifications (Subsections 3.4.2)	100	
Proposed Lead Actuary Qualifications (Subsection 3.4.3)	100	
Bidder experience (Subsection 3.4.4)	50	
Bidder experience (Subsection 3.4.5)	50	

Bidder experience (Subsection 3.4.6)	50	
Bidder experience (Subsection 3.4.7)	50	
Executive Order 18-03 (Section 3.5)	Subsection Points	25
Exhibit C	25	
Cost Proposal (Section 3.6)		200

Stage 1 Total Possible Points: 1,000

Stage 2 Scoring (Optional)	Total Possible Points
Oral Presentation (Section 4.3)	1,000

HCA reserves the right to award the contract to the Bidder whose proposal is deemed to be in the best interest of HCA and the state of Washington.

4.3. SCORING METHODOLOGY: Organizational Capabilities and Staff Qualifications

Evaluators will evaluate and assign a score to each Mandatory Scored (MS) requirement within Section 3.3, Organizational Capabilities and Section 3.4, Staff Qualifications, based on how well the Bidder's Response matches the requirement.

Evaluators will assign a score from 0-10 to each scored element based on the below scoring methodology.

Scoring Methodology		
Score	Description	Scoring Criteria
10	Far Exceeds Requirements	The Bidder has provided an innovative, detailed, efficient approach or established, by presentation of material, far superior capability in this area.
7	Exceeds Requirements	The Bidder has demonstrated an above-average capability, approach, or solution and has provided a complete description of the capability, approach, or solution.
5	Meets Requirements	The Bidder has an acceptable capability or solution to meet this criterion and has described its approach in sufficient detail to be considered "as substantially meeting the requirements".
3	Below Requirements	The Bidder has established some capability to perform the requirement but descriptions regarding their approach are not sufficient to demonstrate the Proposer will be fully able to meet the requirements.

Scoring Methodology

1	Substantially Below Requirements	The Bidder has not established the capability to perform the requirement, has marginally described its approach, or has simply restated the requirement.
0	No value	The Bidder has omitted any discussion of this requirement or the information provided is of no value.

4.4. SCORING METHODOLOGY: COST PROPOSAL

Each of the four Key Professional Staff Categories listed in the Fee Proposal Table in Section 3.5, Cost Proposal will be scored individually based on the lowest proposed hourly rate for the category. Points for each Key Professional Staff Category will be awarded according to the following formula, any point calculations that result in decimal points will be rounded to the nearest whole number:

$$\frac{\text{Lowest Cost Proposal/Key Professional Staff Category}}{\text{Bidder's Cost Proposal/Key Professional Staff Category}} \times 50 \text{ points} = \text{Bidder's Cost Proposal Points/Key Professional Staff Category}$$

The Bidder's score for each of the four Key Professional Staff Categories will be summed to determine the Bidder's total Cost Proposal score.

For example (dollar amounts are for illustrative purpose only):

Lead Actuary/Account Executive		
Bidder	Hourly Rate	Awarded Points
1	\$600	23
2	\$450	31
3	\$325	42
4	\$300	46
5	\$275	50

Senior Actuary (5+ years' experience)		
Bidder	Hourly Rate	Awarded Points
1	\$300	42
2	\$450	28
3	\$275	45
4	\$250	50
5	\$375	33

Actuary (FSA)		
Bidder	Hourly Rate	Awarded Points
1	\$285	48
2	\$275	50
3	\$400	34
4	\$325	42
5	\$395	35

Actuarial Analyst		
Bidder	Hourly Rate	Awarded Points
1	\$125	40
2	\$175	29
3	\$100	50
4	\$250	20
5	\$135	37

Total Cost Proposal Score					
Bidder	Lead Actuary/Account Executive	Senior Actuary (5+ years' experience)	Actuary (FSA)	Actuarial Analyst	Total Awarded Points
1	23	42	48	40	153
2	31	28	50	29	138
3	42	45	34	50	171
4	46	50	42	20	158
5	50	33	35	37	155

4.5. ORAL PRESENTATIONS MAY BE REQUIRED

HCA may, after evaluating the written proposals, elect to schedule oral presentations of the finalists. Should oral presentations become necessary, HCA will contact the top-scoring firm(s) from the written evaluation to schedule a date, time, and location. Commitments made by the Bidder at the oral presentation, if any, will be considered binding.

The scores from the written evaluation and the oral presentation combined together will determine the Apparent Successful Bidder.

4.6. SUBSTANTIALLY EQUIVALENT SCORES

Substantially equivalent scores are scores separated by two percent or less in total points. If multiple Proposals receive a Substantially Equivalent Score, HCA may leave the matter as scored, or select as the ASB the one Proposal that is deemed by HCA, in its sole discretion, to be in HCA's best interest relative to the overall purpose and objective as stated in Sections 1.1 and 1.2 of this RFP.

If applicable, HCA's best interest will be determined by HCA managers and executive officers, who have sole discretion over this determination. The basis for such determination will be communicated in writing to all Bidders with equivalent scores.

4.7. NOTIFICATION TO BIDDERS

HCA will notify the ASB of their selection in writing upon completion of the evaluation process. Bidders whose proposals were not selected for further negotiation or award will be notified separately by e-mail.

4.8. DEBRIEFING OF UNSUCCESSFUL BIDDERS

Any Bidder who has submitted a Proposal and been notified it was not selected for contract award may request a debriefing. The request for a debriefing conference must be received by the RFP Coordinator no later than 5:00 p.m., local time, in Olympia, Washington, within three business days

after the Unsuccessful Bidder Notification is e-mailed to the Bidder. The debriefing will be held within three business days of the request, or as schedules allow.

Discussion at the debriefing conference will be limited to the following:

- 4.8.1. Evaluation and scoring of the Bidder's Proposal;
- 4.8.2. Critique of the Proposal based on the evaluation; and
- 4.8.3. Review of the Bidder's final score in comparison with other final scores without identifying the other Bidders.

Topics a Bidder could have raised as part of the complaint process (Section 2.10) cannot be discussed as part of the debriefing conference, even if the Bidder did not submit a complaint.

Comparisons between proposals, or evaluations of the other proposals will not be allowed. Debriefing conferences may be conducted in person or on the telephone and will be scheduled for a maximum of thirty (30) minutes.

4.9. PROTEST PROCEDURE

A bid protest may be made only by Bidders who submitted a response to this RFP and who have participated in a debriefing conference. Upon completing the debriefing conference, the Bidder is allowed five business days to file a protest with the RFP Coordinator. Protests must be received by the RFP Coordinator no later than 4:30 p.m., local time, in Olympia, Washington on the fifth business day following the debriefing. Protests may be submitted by e-mail or by mail.

Bidders protesting this RFP must follow the procedures described below. Protests that do not follow these procedures will not be considered. This protest procedure constitutes the sole administrative remedy available to Bidders under this RFP.

All protests must be in writing, addressed to the RFP Coordinator, and signed by the protesting party or an authorized agent. The protest must state (1) the RFP number, (2) the grounds for the protest with specific facts, (3) complete statements of the action(s) being protested, and (4) the relief or corrective action being requested.

- 4.9.1. Only protests alleging an issue of fact concerning the following subjects will be considered:
 - 4.9.1.1. A matter of bias, discrimination, or conflict of interest on the part of an evaluator;
 - 4.9.1.2. Errors in computing the score; or
 - 4.9.1.3. Non-compliance with procedures described in the RFP or HCA requirements.

Protests based on anything other than those items listed above will not be considered. Protests will be rejected as without merit to the extent they address issues such as: 1) an evaluator's professional judgment on the quality of a Proposal; or 2) HCA's assessment of its own needs or requirements.

Upon receipt of a protest, HCA will undertake a protest review. The HCA Director, or an HCA employee delegated by the HCA Director who was not involved in the RFP, will consider the record and all available facts. If the HCA Director delegates the protest review to an HCA employee, the Director nonetheless reserves the right to make the final agency decision on the protest. The HCA Director or his or her designee will have the right to seek additional information from sources he or she deems appropriate in order to fully consider the protest.

If HCA determines in its sole discretion that a protest from one Bidder may affect the interests of another Bidder, then HCA may invite such Bidder to submit its views and any relevant information on

the protest to the RFP Coordinator. In such a situation, the protest materials submitted by each Bidder will be made available to all other Bidders upon request.

4.9.2. The final determination of the protest will:

4.9.2.1. Find the protest lacking in merit and uphold HCA's action; or

4.9.2.2. Find only technical or harmless errors in HCA's acquisition process and determine HCA to be in substantial compliance and reject the protest; or

4.9.2.3. Find merit in the protest and provide options to the HCA Director, which may include:

4.9.2.3.1. Correct the errors and re-evaluate all Proposals; or

4.9.2.3.2. Issue a new solicitation document and begin a new process; or

4.9.2.3.3. Make other findings and determine other courses of action as appropriate.

If the protest is not successful, HCA will enter into a contract with the ASB(s), assuming the parties reach agreement on the contract's terms.

5. RFP Exhibits

Exhibit A	Certifications and Assurances
Exhibit B	Diverse Business Inclusion Plan
Exhibit C	Executive Order 18-03
Exhibit D	Example Work Order
Exhibit E	Draft Contract – separate document

CERTIFICATIONS AND ASSURANCES

I/we make the following certifications and assurances as a required element of the proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract:

1. I/we declare that all answers and statements made in the proposal are true and correct.
2. The prices and/or cost data have been determined independently, without consultation, communication, or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal.
3. The attached proposal is a firm offer for a period of 120 days following receipt, and it may be accepted by HCA without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 120-day period.
4. In preparing this proposal, I/we have not been assisted by any current or former employee of the state of Washington whose duties relate (or did relate) to this proposal or prospective contract, and who was assisting in other than his or her official, public capacity. If there are exceptions to these assurances, I/we have described them in full detail on a separate page attached to this document.
5. I/we understand that HCA will not reimburse me/us for any costs incurred in the preparation of this proposal. All proposals become the property of HCA, and I/we claim no proprietary right to the ideas, writings, items, or samples, unless so stated in this proposal.
6. Unless otherwise required by law, the prices and/or cost data which have been submitted have not been knowingly disclosed by the Bidder and will not knowingly be disclosed by him/her prior to opening, directly or indirectly, to any other Bidder or to any competitor.
7. I/we agree that submission of the attached proposal constitutes acceptance of the solicitation contents and the attached sample contract and general terms and conditions. If there are any exceptions to these terms, I/we have described those exceptions in detail on a page attached to this document.
8. No attempt has been made or will be made by the Bidder to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.
9. I/we grant HCA the right to contact references and other, who may have pertinent information regarding the ability of the Bidder and the lead staff person to perform the services contemplated by this RFP.
10. If any staff member(s) who will perform work on this contract has retired from the State of Washington under the provisions of the 2008 Early Retirement Factors legislation, his/her name(s) is noted on a separately attached page.

We (circle one) **are / are not** submitting proposed Contract exceptions. (See Section 2.12, Contract and General Terms and Conditions.) If Contract exceptions are being submitted, I/we have included them within Exhibit E.

On behalf of the Bidder submitting this proposal, my name below attests to the accuracy of the above statement. *If electronic, also include:* We are submitting a scanned signature of this form with our proposal.

Signature of Bidder

Title

Date

DIVERSE BUSINESS INCLUSION PLAN

- | | |
|--------------------------------------------------------------------------------|-----|
| Do you anticipate using, or is your firm, a State Certified Minority Business? | Y/N |
| Do you anticipate using, or is your firm, a State Certified Women's Business? | Y/N |
| Do you anticipate using, or is your firm, a State Certified Veteran Business? | Y/N |
| Do you anticipate using, or is your firm, a Washington State Small Business? | Y/N |

If you answered No to all of the questions above, please explain:

Please list the approximate percentage of work to be accomplished by each group:

- Minority ___%
- Women ___%
- Veteran ___%
- Small Business ___%

Please identify the person in your organization to manage your Diverse Inclusion Plan responsibility.

Name: _____

Phone: _____

E-Mail: _____

**CONTRACTOR CERTIFICATION
EXECUTIVE ORDER 18-03 – WORKERS’ RIGHTS
WASHINGTON STATE GOODS & SERVICES CONTRACTS**

Pursuant to the Washington State Governor’s Executive Order 18-03 (dated June 12, 2018), the Washington State Health Care Authority is seeking to contract with qualified entities and business owners who certify that their employees are not, as a condition of employment, subject to mandatory individual arbitration clauses and class or collective action waivers.

Solicitation No.: RFP# 2020HCA4

I hereby certify, on behalf of the firm identified below, as follows (check one):

NO MANDATORY INDIVIDUAL ARBITRATION CLAUSES AND CLASS OR COLLECTIVE ACTION WAIVERS FOR EMPLOYEES. This firm does NOT require its employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waivers.

OR

MANDATORY INDIVIDUAL ARBITRATION CLAUSES AND CLASS OR COLLECTIVE ACTION WAIVERS FOR EMPLOYEES. This firm requires its employees, as a condition of employment, to sign or agree to mandatory individual arbitration clauses or class or collective action waivers.

I hereby certify, under penalty of perjury under the laws of the State of Washington, that the certifications herein are true and correct and that I am authorized to make these certifications on behalf of the firm listed herein.

FIRM NAME: _____
Name of Contractor/Bidder – Print full legal entity name of firm

By: _____
Signature of authorized person

Print Name of person making certifications for firm

Title: _____
Title of person signing certificate

Place: _____
Print city and state where signed

Date: _____

Exhibit D

		WORK ORDER		HCA Contract Number: Work Order:	
<p>THIS WORK ORDER is made between the Washington State Health Care Authority, hereinafter referred to as "HCA," and the party whose name appears below, hereinafter referred to as the "Contractor."</p>					
CONTRACTOR NAME					
HCA PROGRAM TITLE			HCA DIVISION/SECTION		
HCA CONTACT NAME AND TITLE			HCA CONTACT ADDRESS		
HCA CONTACT TELEPHONE				HCA CONTACT E-MAIL ADDRESS	
WORK ORDER START DATE		WORK ORDER END DATE		CONTRACT END DATE	
WORK ORDER AMOUNT					
WORK ORDER PURPOSE:					
<p>ATTACHMENTS/EXHIBITS. When the box below is marked with an X, the following Exhibits/Attachments are attached and are incorporated into this Work Order by reference:</p> <p><input type="checkbox"/> Exhibit(s) (specify):</p> <p><input type="checkbox"/> Attachment(s) (specify):</p> <p><input type="checkbox"/> Schedule(s) (specify):</p> <p><input type="checkbox"/> No Exhibit/Attachment</p>					
<p>This Work Order, including all Exhibits and other documents incorporated by reference, contains all of the terms and conditions agreed upon by the parties as changes to the original Contract. No other understandings or representations, oral or otherwise, regarding the subject matter of this Work Order shall be deemed to exist or bind the parties. All other terms and conditions of the original Contract remain in full force and effect. The parties signing below warrant that they have read and understand this Work Order, and have authority to enter into this Work Order.</p>					
CONTRACTOR SIGNATURE			PRINTED NAME AND TITLE		DATE SIGNED
HCA SIGNATURE			PRINTED NAME AND TITLE		DATE SIGNED

This Work Order is issued under the provisions of Contract _____ between Contractor and HCA. The services authorized are within the scope of services set forth in the Purpose of the Contract. All rights and obligations of the Parties shall be subject to and governed by the terms of the Contract, including any subsequent modifications, which are incorporated herein by reference.

Project Title:

Program:

Purpose:

Period of Performance for this Work Order: _____ or Date of Execution through _____ .

Place of Work: The majority of the work will be conducted at the [HCA office, located at 626 8th Avenue SE Olympia, WA 98501](#).

All of the Contractor's employees must have a signed Statement of Confidentiality on file before starting work on any project for the Washington State Health Care Authority. The HCA Contract Office will keep a file of these completed for each contractor. Only one form needs to be on file for each employee/subcontractor for each contractor.

Compensation: Compensation payable to the Contractor for satisfactory work under this Work Order will not exceed the Maximum Not-to-Exceed Compensation total for this Work Order of \$ _____ .

Contractor will be paid an hourly rate of \$ _____ per hour and will invoice monthly.

Order of Precedence: Each of the documents listed below is hereby incorporated by reference into this Work Order. In the event of an inconsistency in this Work Order, the inconsistency shall be resolved by giving precedence in the following order:

1. Applicable federal and state of Washington statutes and regulations;
2. Contract _____ , and all incorporated Amendments;
3. Exhibit A, [Statement of Work](#); and
4. Any other provision, term or material incorporated herein by reference or otherwise incorporated.