

# **Arkansas Health Insurance Marketplace**

## **Request for Proposals**

### **Marketing and Outreach Services for the Arkansas Health Insurance Marketplace**

**January 16, 2015**

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## 1 INTRODUCTION AND OVERVIEW

### 1.1 Purpose of Procurement

The Arkansas Health Insurance Marketplace (AHIM) issues this Request for Proposals (RFP) for the purpose of obtaining a qualified vendor to research, plan, implement and evaluate a strategic and integrated Marketing and Outreach program. The vendor will support the Small Business Health Options Program (SHOP) Marketplace for the plan years 2016 and 2017 and the Individual Marketplace (IM) for plan year 2017. This procurement is broken into three (3) phases: Branding; SHOP Marketplace Marketing Campaign; and combined SHOP and IM Marketing Campaign. The focus of the scope of work is a strategic, integrated marketing campaign created and executed to achieve brand strength and generate marketplace enrollment growth in the SHOP and IM market. The scope of work includes, but is not limited to, research, project design and management, branding, creative design, marketing, advertising, public relations, digital and social media services and campaign evaluation.

### 1.2 Issuing Officer

Contact information for the issuing office has been provided below. This person will serve as the single point of contact for communication regarding this RFP.

Heather Haywood  
Director of Policy and Communications  
Arkansas Health Insurance Marketplace  
1501 N. University, Suite 970  
Little Rock, AR 72207  
Phone: 501-313-4197

### 1.3 Use of Subcontractors

In the event a proposal is submitted that involves more than one organization, a single organization shall be designated as the Prime Bidder. All other bidders / participants shall be designated as subcontractors. All subcontractors shall be identified by name and for each proposed subcontractor, background information along with a description of the functions or tasks the subcontractor(s) would perform under this RFP must be included, consistent with instructions found elsewhere in this RFP. The Prime Bidder shall be wholly responsible for the entire performance whether or not subcontractors are used. The project leader (Project Manager) shall be an employee of the Prime Bidder. The Prime Bidder shall sign the contract with AHIM.

### 1.4 Overview

This RFP is composed of eight (8) sections, plus appendices:

*Section 1: Introduction and Overview* – Provides general information on the purpose of the RFP, the authorities relating to the issuance of the RFP and the organization of the RFP.

*Section 2: RFP Schedule and Procurement Process* – Provides information on the rules and schedules guiding this procurement.

*Section 3: Background Information* – Describes AHIM, partners and stakeholders with an interest in the both the SHOP and Individual Marketplace, the marketing landscape, and guiding principles.

*Section 4: Scope of Work* – Provides information on the services to be provided under the contract.

*Section 5: Technical Proposal Requirements* – Provides an overview of the business and technical requirements that a Bidder must meet.

*Section 6: Cost Proposal Requirements* – Defines the requirements for Bidders' Cost Proposals and the information to be provided.

*Section 7: Evaluation Process* – Defines the evaluation process and gives an overview of the evaluation categories.

*Section 8: Contract Terms and Conditions* – Describes the terms and conditions under which the work shall be performed.

*Appendices A through I* have been included to support the information presented in Sections 1 through 8. The complete list of appendices can be found below.

- Appendix A: Vendor Information Sheet;
- Appendix B: Written Questions Template;
- Appendix C: Mandatory Requirements Checklist;
- Appendix D: Corporate References;
- Appendix E: Proposed Key Staff Resume Template;
- Appendix F: Staff References Template;
- Appendix G: Objection to Terms and Conditions;
- Appendix H: Insurance; and,
- Appendix I: Federal Contract Clauses.

## 2 RFP SCHEDULE AND PROCUREMENT PROCESS

### 2.1 Approach

AHIM intends to provide a fair and equitable process for the procurement of the services described in this RFP. Submission of a proposal in response to this RFP constitutes acceptance of the conditions governing the procurement process, including the evaluation factors contained in *Section 7: Evaluation Process* of this RFP.

AHIM expressly reserves the right to not award a contract pursuant to this RFP. Contracts awarded pursuant to this RFP will not include minimum guarantees of funding and will include payments based on actual work performed as requested. AHIM reserves the right to:

- Waive any immaterial defect or informality in any response procedure;
- Reject any and all proposals;
- Request additional information and data from any or all respondents;
- Supplement, amend, or otherwise modify the RFP or cancel this request with or without the substitution of another RFP;
- Disqualify any Bidder who fails to provide information or data requested herein or who provides inaccurate or misleading information or data;
- Disqualify any Bidder on the basis of any real or apparent conflict of interest; and,
- Disqualify any Bidder on the basis of past performance on other projects.

### 2.2 RFP Timeline

The schedule set forth herein represents AHIM’s anticipated schedule for this procurement. AHIM reserves the right to modify dates per extenuating circumstances. The procurement schedule is as follows:

**Table 2-1: Procurement Schedule**

Activity	Date
Issue RFP	1/16/2015
Submission of Written Questions	1/23/2015
Written Responses to Questions and Addendum to RFP Posted (as necessary)	1/30/2015
Proposals Due	2/13/2015
Anticipated Dates of Interviews (if needed)	2/23 – 2/25/2015
Anticipated Notice of Award	2/27/2015
Anticipated Contract Execution Date	3/4/2015

### 2.3 Written Questions

AHIM will accept written questions related to this RFP until the dates and times specified in *Table 2-1*. The written questions must reference the RFP section, page, and paragraph number in the format provided in *Appendix B: Written Questions Template* of this RFP.

Bidders may email written questions to the following procurement email address:  
[solicitations@ARMarketplace.com](mailto:solicitations@ARMarketplace.com).

AHIM intends to respond to all written questions and issue addenda (if necessary) no later than the dates and times specified in *Table 2-1*. Only written responses to questions and/or information included in formal addenda to this RFP shall be considered as official.

## **2.4 Acceptance of Proposals**

All proposals properly submitted will be accepted by AHIM. However, AHIM reserves the right to request necessary amendments from a Bidder, reject any or all proposals received, or cancel this RFP, according to the best interests of AHIM and the residents of the state of Arkansas.

AHIM also reserves the right to waive minor irregularities in proposals. In the event AHIM waives any minor irregularity in any Bidder's proposal, such waiver shall in no way modify the requirements of this RFP or excuse the Bidder from full compliance with the specifications of this RFP nor excuse the Bidder from any Contract requirement. At the discretion of AHIM, the RFP Issuing Officer or his/her designated agent may contact the Bidder to clarify irregularities or provide missing requirements. The Bidder is required to submit clarifications or missing requirements with a turnaround time to be determined by AHIM.

AHIM reserves the right to exclude any and all non-responsive proposals from any consideration for Contract award.

## **2.5 Submission of Proposals**

Proposals must conform to all proposal submission requirements as stated in *Section 5: Technical Proposal Requirements* of this RFP. Failure to meet all requirements will place the Bidder at risk, and AHIM may reject the entire proposal.

### **2.5.1 Cost of Preparing the Proposal**

The cost of preparing the proposal will not be billed to AHIM.

## **2.6 Proposal Opening and Inspection**

During the proposal evaluation and award recommendation period, proposals shall not be available for inspection. Proposals shall not be opened publicly, but shall be opened in the presence of two (2) or more AHIM officials. The register of proposals and Bidders' proposals shall be open to public inspection after a contract has been awarded and executed by all parties.

## **2.7 Disqualification of Bidders**

A Bidder may be disqualified and the proposal may be rejected for any one or more of the following reasons applicable to the Bidder or any proposed subcontractor:

- Delivery of proposal after the proposal due date;
- Proof of collusion among Bidders, in which case all bids involved in the collusive action shall be rejected and any participant to such collusion shall be barred from future bidding until reinstated as a qualified Bidder;
- Inappropriate or unauthorized communication with AHIM staff or Board of Directors, as outlined in AHIM's Procurement Rules;



- Being in arrears on existing contracts or having defaulted on previous contracts;
- Substandard performance related to meeting the requirements from previous contracts; and,
- Failure to pay, or satisfactorily settle, all bills overdue for labor and material on former contracts at the time of issuance of this RFP;
- Lack of sufficient experience to perform the work contemplated.
- Lack of responsibility and cooperation as shown by past work or services;
- Lack of financial stability and viability;
- Lack of proper licensure to cover the type of work contemplated, if required; and
- Any noncompliance with applicable laws.

## **2.8 Irregular Proposals**

Proposals may be considered irregular and rejected for the following reasons including, but not limited to the following:

- If the Transmittal Letter is unsigned by a Bidder or does not include a certification of the authority of the officer submitting the proposal to submit such proposal;
- If the proposal shows any non-compliance with applicable law or contains any unauthorized additions or deletions, conditional bids, incomplete bids, or irregularities of any kind, which may tend to make the proposal incomplete, indefinite, or ambiguous as to its meaning;
- If a Bidder includes any cost information in the Technical Proposal, AHIM reserves the right to reject the proposal; and,
- If a Bidder adds any provisions reserving the right to accept or reject an award or adds provisions contrary to those in the solicitation.

## **2.9 Cancellation of RFP Additional Materials and Documentation**

The RFP may be cancelled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interest of the AHIM. AHIM shall not be liable for any costs, expenses, loss of profits, or damages whatsoever incurred by the Bidder in the event this RFP is cancelled or a proposal is rejected.

## **2.10 Award Notice**

Notification of intended contract award, if any, shall be provided to the selected Bidder on or about the date specified in *Table 2-1*. Such notification shall be subsequently confirmed in writing. The Contract award is subject to availability of funding.

The successful Bidder receiving award notification agrees to enter immediately into good faith contract negotiations consistent with procedures and processes as established by AHIM, including those described in *Section 2.11 Contract Negotiation Process*.

Neither AHIM, nor the State of Arkansas, is liable for any work, costs, expenses, loss of profits, or any damages whatsoever incurred by the Bidder prior to the official contract start date, and contract work prior to this date may result in no payment. AHIM reserves the right to modify this policy; any modification will be made in a written statement and signed by both AHIM and the Bidder.

## **2.11 Contract Negotiation Process**

Upon completion of the evaluation process, AHIM will select one Bidder with which to negotiate a contract, based on the evaluation findings and other criteria deemed relevant for ensuring that the decision is in the best interest of AHIM and the State of Arkansas. In the event that AHIM is not successful in negotiating a contract with a selected Bidder, AHIM reserves the option of negotiating with another Bidder.

### **2.11.1 No Commitment to Contract**

AHIM is not required to contract with a vendor because of this RFP.

## **2.12 Protest Policy and Procedures**

The Bidders who submit proposals in response to this RFP may protest the award of the contract resulting from this RFP. A Notice of Intent to Protest must be made in writing to the Issuing Officer and must be received no later than three (3) working days from the notice of non-award. If no such Intent is timely filed, the Bidder forgoes its ability to pursue a protest.

A Protest Notification must be made in writing to the Issuing Officer and must be received no later than seven (7) working days from the notice of non-award. The Protest Notification must contain specific grounds for the protest. Supporting documentation must be included with the protest. A protest must state all grounds upon which the protesting party asserts that the solicitation or award was improper. Issues not raised by the protesting party in the protest are deemed waived.

Only the following are acceptable grounds for protest:

- Failure to follow 1) AHIM procedures established in the RFP or 2) AHIM rules of procurement;
- Errors in computing scores which contributed to the incorrect selection of a Bidder; and,
- Bias, discrimination, or conflict of interest on the part of an evaluator.

Disallowed grounds include:

- Evaluator qualifications;
- The professional judgment of the reviewers; and,
- AHIM's assessment of its own needs regarding the solicitation.

A protest that is incomplete or not submitted within the prescribed time limits will be summarily dismissed.

## **2.13 Contract Period**

The contract term shall begin upon execution of the Contract and shall continue its initial term for two (2) years. At the discretion of AHIM, this contract may be extended for three (3) subsequent one (1) year periods on a year to year basis.

The Contractor acknowledges that other unanticipated uncertainties may arise that may require an increase or decrease in the original scope of services from the Contractor awarded this contract. In the event that an increase or decrease of services may be required, the Contractor agrees to enter into a supplemental agreement upon request by AHIM for the additional work. The supplemental agreement may also include a respective increase or decrease in the compensation.

## 2.14 Evaluation of Proposals

Detailed information on the Evaluation of Proposals can be found in *Section 7: Evaluation Process*. Any submitted proposal shall remain a valid proposal for 180 days from the proposal due date.

Proposals that are submitted in a timely manner and meet the mandatory submittal requirements of this RFP will be reviewed and evaluated in accordance with *Section 7: Evaluation Process* of this RFP.

A Proposal Review Team will be charged with evaluating proposals based on the criteria put forth in *Section 7: Evaluation Process*. During the evaluation process, the Issuing Officer or designated agent may contact a Bidder for the purpose of obtaining clarification of its proposal. AHIM may, at its discretion, select finalists who would be required to travel to Little Rock, Arkansas (at their own expense) to provide a presentation to a group as selected by AHIM. See *Section 7: Evaluation Process* for more detailed information about the evaluation process.

## 2.15 Qualification of Bidder

Qualified bidders for this RFP must have demonstrable work experience in the health care or health insurance field with a preference for work in relation to the Patient Protection and Affordable Care Act (ACA). Additionally, bidders must demonstrate proven experience in developing brand development, creating and developing integrated marketing strategies and implementing successful marketing and awareness campaigns.

### **3 BACKGROUND INFORMATION**

#### **3.1 Arkansas Health Insurance Marketplace**

The Arkansas Health Insurance Marketplace (AHIM) was established as a result of ACT 1500 (HB1508). Act 1500 (HB1508) was passed in by the 89th General Assembly of Arkansas during its 2013 Regular Session and subsequently signed by Governor Mike Beebe in the Spring of 2013. AHIM is responsible for complying with the mandates required within the Patient Protection and Affordable Care Act (ACA), including implementing a State-based Health Insurance Marketplace (SBM) to facilitate access to affordable health insurance coverage for all legal residents of the State of Arkansas.

The Arkansas Insurance Department (AID) currently manages the State-based Partnership Marketplace (SPM) in partnership with the U.S. Department of Health and Human Services (HHS). The Arkansas Insurance Department launched the Arkansas Health Connector (AHC) program in July of 2013, to educate Arkansans about the requirement to have health insurance. The State of Arkansas will transition to a SBM as a result of ACT 1500 (HB1508).

#### **3.2 Arkansas Insurance Department (AID)**

The Arkansas Insurance Department (AID) is an Executive Department of the State of Arkansas established by Arkansas Act 190 of 1917. AID is responsible for the certification and regulation of Qualified Health Plans (QHPs) and Carriers (insurance policies and insurers) in the State. AID is responsible for licensing all agents and brokers in the State. AID performs a review of all state health insurance plans sold in the State of Arkansas.

#### **3.3 Arkansas Department of Human Services (DHS)**

The Arkansas Department of Human Services (DHS) is the state's largest agency and is the single state agency responsible for the administration of the Arkansas Medicaid program. Arkansas has expanded its Medicaid Program through the Health Care Independence Act, Arkansas Act 1498 of 2013. This act created a model through which Medicaid funds are used to purchase Qualified Health Plan (QHP) for individuals eligible for coverage. This program was the first of its kind and was approved through a Section 1115 Demonstration Waiver. As part of the Medicaid expansion, DHS created a Modified Adjusted Gross Income (MAGI) rules engine to handle eligibility determinations.

#### **3.4 Affordable Care Act (ACA)**

On March 23, 2010, President Barack Obama signed into law the ACA. On March 30, 2010, the Health Care and Education Reconciliation Act of 2010 was signed into law. These laws, collectively referred to as the ACA, encompass laws designed to achieve broader access to health care for all Americans, including expanding health insurance coverage, providing more health care choices, enhancing the quality of care for all Americans, holding providers and delivery systems more accountable for health outcomes, and lowering overall health care costs.

Among these provisions is the opportunity for each State to establish a Health Benefit Marketplace by January 1, 2014, that will serve to:

1. Facilitate the individual purchase of Qualified Health Plans (QHPs);

2. Provide for the establishment of a SHOP Marketplace, designed to assist qualified employers in facilitating the enrollment of their employees in qualified health plans offered in the SHOP Marketplace; and,
3. Meet all requirements specified in the Affordable Care Act (ACA).

## **4 SCOPE OF WORK**

The following section provides the bidder with an understanding of the specific needs and expectations as well as requirements a bidder must address in their proposal. It is important that bidders demonstrate their understanding of the current environment in the State of Arkansas and an understanding of the AHIM target audience and AHIM stakeholders. Additionally, vendors must demonstrate their ability to research, develop, plan and implement a successful strategic, integrated marketing and outreach campaign. Bidders must validate they have appropriate resources to successfully execute and sustain the scope of work outlined in this RFP. Proposals that do not comply with the conditions or requirements stated herein will be rejected.

### **4.1 Overview**

The Scope of Work will be split into three (3) sequential phases as follows:

1. Branding;
2. Small Business Health Options Program (SHOP) Marketplace Marketing Campaign; and,
3. Individual Marketplace (IM) Marketing Campaign and second year SHOP Marketing Campaign.

### **4.2 Goals for this Procurement**

It is the goal of AHIM to select a vendor that has a demonstrated their ability to perform the following tasks:

- Establish a clear AHIM brand that will resonate with Arkansans;
- Identify and engage various market segments, e.g.: Uninsured individuals, multicultural populations including African-Americans and Hispanics, young adults (young invincibles), individuals who are most likely to benefit from premium subsidies, and other market segments;
- Educate and inform AHIM partners and target audiences of the affordability and value of health insurance in simple, understandable terms;
- Conduct branding, marketing and outreach campaigns that will encourage increased consumer interest in both the AHIM SHOP and Individual Marketplace;
- Use research and lessons learned to focus on tasks that will maximize small business and individual enrollment in the Marketplace;
- Collaborate and coordinate with AHIM Partners;
- Bring innovative and “out-of-the-box” strategies and recommendations to the AHIM; and,
- Be flexible, allowing for mid-course adjustments, as necessary.

### **4.3 Phase 1 Branding**

#### **4.3.1 Conduct Market Research, Surveys and Testing**

The successful bidder will work with AHIM staff and the AHIM Marketing and Outreach Board Committee to create a methodology through which the vendor will develop a brand for AHIM. The vendor must coordinate and manage the research process in developing a unique brand for AHIM. Vendors must identify any vendor partners they intend to use and provide any subcontractor's qualifications and experience with similar projects. This brand will be used to market and develop recognition of AHIM as the state's new Health Insurance Marketplace.

### 4.3.2 Develop Integrated Strategy across all Brand Channels and Platforms

AHIM desires to ensure that the brand is synchronized and unified across all channels and marketing platforms. Key areas of this task include:

- Prioritize and recommend options, based on data and lessons learned. Develop an integrated strategy across all channels based on research survey data provided by the Cicero Group and other publicly available data;
  - AHIM will work with any vendors to ensure all data and reports are shared across channels
- Develop an overall creative approach and theme for the SHOP and Individual Marketplace campaigns; and,
- The Marketing campaign must be developed and targeted towards the uninsured AHIM eligible populations.

### 4.3.3 Creative Marketing Strategy

AHIM requests a strategic focus for the Marketing campaign with tailored approaches for the non-open enrollment periods, the pre-open enrollment period, and the actual open enrollment period. The end goal of the campaign will be to increase enrollments in the exchange which has a limited open enrollment period, so campaign timing is critical.

### 4.3.4 Website Development

AHIM requests the vendor to evaluate, recommend and develop a web site plan for AHIM. The current AHIM web site is [www.arkmarketplace.com](http://www.arkmarketplace.com) and is required by the State of Arkansas for the public provision of materials. The Vendor will be required to conduct analysis of whether AHIM should keep the existing web site for existing operations, create a new web site for consumer enrollment functions, or merge the functions of the two (2) web sites by creating one (1) new web site.

The successful bidder will be required to work in conjunction with all other vendors. The website will be used to inform consumers about AHIM and should have sections including but not limited to the following:

- Homepage;
- SHOP Enrollment Section;
- Individual Marketplace Enrollment Section;
- News;
- Business Partners;
- Vendors / Employment;
- AHIM Board of Directors;
- About;
- Frequently Asked Questions (FAQ);
- Contact Information;
- Links to enrollment sites; and,
- Additional information about AHIM and how to enroll.

This website may require the development of a new site and the overall management of the website and infrastructure will need to be managed in conjunction with the SHOP IT and IM IT vendors. The site should be mobile friendly and be built on a flexible platform. This website will need to be updated accordingly per the SHOP and Individual Market campaigns. Vendors should identify the web development company (if a subcontractor is required) they intend to partner with and submit that vendor's experience, qualifications and permanent staffing in the required formats described in *Section 5 – Technical Proposal Requirements*.

Additionally, vendors will be asked to incorporate the following tasks in their overall website design and management:

- Create and Manage Overall Website Infrastructure;
- Manage online Contact List for Agents / Brokers and Marketplace Assistants;
- Create Anonymous Browsing; and,
- Multilingual Approach (English and Spanish).

#### **4.4 Phase 2 – SHOP Marketplace Marketing Campaign**

The proposed Enrollment Period for SHOP is October 1 - December 15, 2015 for plan benefit year beginning January 1, 2016. Working from the developed Brand, the successful bidder will create a specific marketing campaign for the SHOP Marketplace. This campaign will inform small business owners meeting the definition chosen by the State of Arkansas about SHOP enrollment and educate insurance agents and brokers about SHOP.

Although the SHOP Marketplace has monthly open enrollment periods, AHIM requests the vendor to conduct initial education and information with target audience segments in order to be prepared when SHOP first goes live.

#### **4.5 Phase 3 – Individual Marketplace Marketing Campaign**

The proposed Enrollment Period for the Individual Marketplace Open Enrollment is October 1 - December 15, 2016 for the plan benefit year beginning January 2017. The vendor will implement a marketing campaign for the Individual Marketplace. The vendor will also implement the second year marketing campaign for the SHOP Enrollment period.

##### **4.5.1 Transition Plan from SHOP Marketplace to Individual Marketplace**

In coordination with the AHIM Director of Policy and Communications and AHIM Marketing and Outreach Committee, the vendor will develop a plan to ensure seamless transition from SHOP Marketplace to the Individual Marketplace campaigns. To the greatest extent possible, materials and branding ideas will be re-purposed from the SHOP Marketplace campaign.



#### 4.6 SHOP and Individual Market Specific Campaign Tasks

In developing the SHOP and Individual Market Marketing Campaign, successful bidders will be responsible for performing the following tasks: (Please note these tasks will need to be duplicated for both Marketing Campaigns; however, re-use when possible is strongly encouraged.)

*Table 4-1 – SHOP and Individual Market Campaign Tasks*

<b>SHOP and Individual Market Tasks</b>
<b>Coordinate with the AHIM Director of Policy and Communications on all activities</b>
<b>Identify target audience and audience segments</b>
<b>Assess and identify specific media channels to be used</b>
<b>Determine timing, frequency, penetration and length of advertisement placement</b>
<b>Conduct contract negotiations for innovative media placement designed to get AHIM the best available rates and value-added opportunities</b>
<ul style="list-style-type: none"> <li>• Leverage “bonus” space or time and recommend the most efficient and effective choice of placing media</li> </ul>
<b>Work with media vendors to traffic all creative materials in a timely manner</b>
<b>Develop additional, value-added options on media buys, to support and generate additional outreach</b>
<ul style="list-style-type: none"> <li>• Television – Development to include content, editing and recording; English and Spanish language and multiple formats</li> <li>• Radio – Development to include content, editing and recording; English and Spanish language and multiple formats</li> <li>• Print Media – Development to include the design of various formats of print advertisements</li> <li>• Outdoor – Development to include the design of transit, billboards, athletic venues/stadiums, retail, etc.</li> </ul>
<b>Provide itemized media costs</b>
<b>Provide comprehensive monthly billing detailed and itemized by project areas</b>
<b>Create SHOP and Individual Market Specific Marketing Materials</b>
<ul style="list-style-type: none"> <li>• AHIM requests all educational and promotional materials are printed within the State of Arkansas</li> </ul>
<b>Design, implement and conduct Outreach Campaign and Support in conjunction with the marketing campaign</b>
<ul style="list-style-type: none"> <li>• Oversee outreach strategies in conjunction with the marketing campaign</li> </ul>
<b>Partner with Marketplace Assistance program (Agent / Brokers and Marketplace Assisters)</b>
<ul style="list-style-type: none"> <li>• Drive the development of outreach strategies</li> <li>• Develop a comprehensive, coordinated strategy for how to target the identified populations</li> </ul>

<b>SHOP and Individual Market Tasks</b>
<ul style="list-style-type: none"> <li>• The outreach campaign must include a diverse media mix to reach diverse target populations in culturally and linguistically appropriate ways</li> </ul>
<p><b>Define relationships and strategy with Outreach Entities</b></p> <ul style="list-style-type: none"> <li>• Outreach partner event support</li> <li>• Coordinate outreach events throughout the state prior to and during both the SHOP and Individual Market Marketplace open enrollment period</li> </ul>
<p><b>Manage and Conduct External and Internal Communications</b></p> <ul style="list-style-type: none"> <li>• Develop and execute a public relations plan that parallels the goals and objectives of the overarching Marketing Campaign</li> <li>• Develop a strategy for coordinating these efforts, drawing on prior knowledge and potentially already established relationships with related organizations</li> </ul>
<p><b>Design and Manage Social Media Campaign</b></p> <p><b>Conduct relevant Evaluation and Research Study determining the effectiveness of the SHOP and Individual Market specific marketing campaign and coordinate/manage the research process</b></p> <ul style="list-style-type: none"> <li>• Provide a comprehensive analysis of the overarching Marketing, Outreach and Communication strategy</li> <li>• Include related metrics on the effectiveness and efficacy of the proposed goals</li> <li>• Recommend and perform market research to support comprehensive recommendations and assistance for all aspects of marketing, communications, and outreach</li> <li>• Solicit input and feedback on the messaging and branding of the AHIM and on the creative concepts for the advertising campaign</li> </ul>

## 4.7 Bidder Organization and Staffing

The vendor must assure that sufficient personnel resources will be available to work within the specified time constraints and to maintain necessary performance levels. The response must detail the number and qualifications of personnel required to perform the work requested. Additionally, responses must include resumes specifying the qualifications and duties of the management personnel. The resumes must include education, position in the firm/company, number of years marketing experience, any Affordable Care Act experience, and types of experience and the duties that each will perform under this contract. *Appendix E: Proposed Key Staff Resume Template* provides additional information about how to include and format resumes for key staff. Personnel requirements include:

- Dedicated Project Manager;
- Technical expertise of proposed staff with the ACA or ability to acquire expertise;
- Demonstrated engagement in businesses related to the health industry;
- Demonstrated ability to effectively work as part of a project team;
- Sufficient and qualified staff to develop and maintain relationships, on behalf of AHIM;

- Sufficient and qualified staff to coordinate and assist with events, on behalf of AHIM;
- Technical expertise of proposed staff with the ACA or your ability to acquire expertise;
- Provide a list of key personnel, including any proposed subcontractors and their roles, who will work on this project, detailing their training and work experience and the anticipated amount and / or portion of time each individual will devote to this project; and,
- Provide a list of key personnel, including any proposed subcontractors and their roles, who will work on this project, detailing their training and work experience and the anticipated amount and / or portion of time each individual will devote to this project.

## **4.8 Project Management**

The following section provides a description of the work, deliverables, and AHIM responsibilities required to plan and execute the activities described in this RFP as they relate to Project Management and Control.

### **4.8.1 Project Management Description**

The Bidder shall be responsible for managing all aspects of the Bidder activities identified in this RFP. Project Management activities consist of the Bidder's approach to initiating, planning, monitoring, controlling, reporting, and meeting resource requirements throughout the life of the Contract. The Bidder is expected to present a clear understanding of the methods and tools used to ensure that resources are managed and that the required tasks and deliverables are completed. The Bidder will be required to utilize a formalized approach to project management, which, at a minimum, is compliant with the most recent version of the Project Management Institute (PMI) Project Management Book of Knowledge (PMBOK). Project Management includes performing the tasks associated with:

- Project Initiation – Perform the initial tasks associated with determining the nature and scope of the project and identifying key stakeholders;
- Project Planning – Plan time, cost, quality, resources, risks, and communications adequately to estimate the work needed to effectively execute project work;
- Project Execution – Execute project work according to the project management plan (PMP);
- Project Monitoring and Controlling – Monitor and control all areas of the project defined in this RFP. This includes monitoring and controlling processes to ensure that potential problems can be identified in a timely manner and corrective action can be taken; and,
- Project Closing – Ensure the orderly closeout of the Contract.

### **4.8.2 Preliminary Planning**

The Bidder shall perform preliminary planning tasks to ensure that AHIM is prepared to fully initiate project activities on the Contract start date, without delays. Activities for this stage include outlining and initiating project communications, introducing respective project teams, detailing specific items negotiated in the contracted scope of work, and preparing all teams for full project initiation on the Contract start date.

### **4.8.3 Project Kick-Off**

The Bidder shall plan and hold Project Kick-Off activities, which will focus on setting the foundation for project management throughout the life of the Contract. The Contractor shall assemble all project staff,

AHIM staff, and other relevant AHIM vendors, and key AHIM stakeholders, as directed, in order to review the project plan, schedule, project roles and responsibilities (for both Bidder and AHIM staff) and provide an overview of initial project risks.

The project kick-off meeting shall occur within five (5) business days of contract execution, the Contractor shall provide a memorandum documenting meeting minutes, decisions, and outcomes.

#### **4.8.4 Status Meetings**

The Bidder shall attend status meetings or conference calls on a regular basis, likely no more frequent than bi-weekly. Status meetings will provide updates on project progress as outlined in the bi-weekly status reports.

## 5 TECHNICAL PROPOSAL REQUIREMENTS

### 5.1 Introduction

AHIM discourages overly lengthy Technical Proposals; therefore, brochures or other presentations, beyond those sufficient to present a complete and effective proposal, are not desired. No speculative work will be accepted and is not requested as part of this proposal request. Bidders are prohibited from providing branding or creative designs for this project. Elaborate artwork or expensive paper is not necessary or desired. Audio and/or videotapes are not allowed. Technical Proposals including audio or videotapes will be deemed non-responsive and rejected. In order for the Proposal Review Team to evaluate proposals completely, the Bidder must follow the format set out below to provide all requested information. The use of tabs as specified below is required.

The format and content requirements for each section of the Technical Proposal are described below. The Technical Proposal shall include complete responses to all required items listed under each heading. Without providing overly lengthy descriptions, the Technical Proposal must provide clear descriptions and/or responses, so the Proposal Review Team members can adequately evaluate the Bidder's response and intent. The Bidder is mandated to follow the defined format outlined at *Section 5.2*. At the sole discretion of AHIM, AHIM may request written clarification to a Bidder's response in the Technical Proposal to better assist the Proposal Review Team members in evaluating the Bidder's response and intent.

### 5.2 Format of Proposal

Bidders' Proposals must include the components detailed in this section. No partial bids will be accepted. Any bids submitted that are deemed to be incomplete may be rejected by AHIM. Bidders' Proposals must be received by AHIM by the date and time specified in *Table 2-1*.

Subject	Requirement
Paper Size	8½ X 11 inch paper (letter size) and double-sided. While the appearance of proposals is important and professionalism in proposal presentation should not be neglected, the use of non-recycled, non-recyclable or glossy materials is discouraged.
Font	Text font must be no smaller than 12 points. Tables and Figures may be in smaller font but must be legible.
Spacing	Proposals must be single-spaced.
Cover Page	The cover page of each Proposal document must include the following information: <ul style="list-style-type: none"> <li>• Name and address of the Bidder;</li> <li>• Date of submission; and,</li> <li>• Title.</li> </ul>
Binding	Three-ring binder(s) of appropriate size(s) for bidder's proposal
Page Limit	Although there are no page limits, Bidder should limit the amount of extra material they submit.
Number of Proposals	Bidder will submit two (2) Proposals including: <ul style="list-style-type: none"> <li>• One (1) Technical Proposal</li> <li>• One (1) Cost Proposal</li> </ul>

Subject	Requirement
Number of copies	<p>Technical Proposal:</p> <ul style="list-style-type: none"> <li>• One (1) original hard copy and ten (10) identical copies of the original, each in a three-ring binder with tabbed sections</li> <li>• Ten (10) electronic copies (flash drive)</li> </ul> <p>Cost Proposal:</p> <ul style="list-style-type: none"> <li>• One (1) original hard copy and two (2) identical copies of the original, each in a three-ring binder with tabbed sections</li> <li>• One (1) electronic copy (flash drive)</li> </ul>
Shipment	<p>All Proposals must be sealed and addressed to:</p> <p>Heather Haywood Director of Policy and Communications Arkansas Health Insurance Marketplace 1501 N. University, Suite 970 Little Rock, AR 72207</p>
Delivery Method	<p>The following hard copy Proposal delivery methods are acceptable:</p> <ul style="list-style-type: none"> <li>• U.S. Mail: Bidders are cautioned that it is their responsibility to mail Proposals in sufficient time to ensure receipt by the AHIM prior to the Proposal due date and time.</li> <li>• Express Delivery: If bids are being sent via an express delivery service, Bidders are responsible for clearly designating the Proposal delivery contact and address, including telephone number, on the outside of the delivery envelope or box.</li> <li>• Hand Delivery: Hand-carried bids shall be delivered to Heather Haywood at the address above prior to the Proposal due date and time.</li> </ul> <p>AHIM will not accept Bidder Proposals submitted by e-mail or fax.</p>
Envelope Contents and Labeling	<p>Technical Proposals and Cost Proposals must be sealed in separate envelopes or boxes within the “Sealed Bid.” Proposals should be clearly marked “SEALED BID” and should include the following items:</p> <ul style="list-style-type: none"> <li>• Indicate if it is the Technical or Cost Proposal;</li> <li>• Title;</li> <li>• Proposal Due Date; and,</li> <li>• Name of the Bidder.</li> </ul>
Flash Drive	<p>The Technical Proposal and Cost Proposal must be provided on separate flash drives; they must be placed in the envelope with the original copy of each Proposal. The Technical Proposal must be submitted as Microsoft Office (Word, Excel, and PowerPoint) format or Portable Document Format (PDF) files. Files shall not be password-protected or saved with restrictions that prevent copying, saving, highlighting, or reprinting of the contents.</p>

Subject	Requirement
Request for Confidential Treatment	Requests for confidential treatment of any information in a Proposal must be communicated in writing to AHIM by providing a redacted copy of the bidder's proposals. The Cost Proposal will be part of the ultimate contract entered into with the successful Bidder, so pricing information may not be designated as confidential material.
Exceptions to RFP / Contract Language	If the Bidder objects to any term or condition of the RFP, exceptions must be submitted on the form in <i>Appendix G: Objection to Terms and Conditions</i> and noted in the <i>Transmittal Letter</i> . Exceptions that materially change these terms or the requirements of the RFP may be deemed non-responsive by AHIM, in its sole discretion, resulting in possible disqualification of Bidder. AHIM reserves the right either to execute a contract without further negotiation with the successful Bidder or to negotiate contract terms with the selected Bidder if the best interests of AHIM would be served.

### 5.3 Tab 1 – Transmittal Letter

To be considered, the Proposal must be accompanied by a Transmittal Letter on company letterhead, signed in blue ink by an official of the bidding organization authorized to bind the Bidder to the provisions of the proposal. The signed Transmittal Letter must be included in the proposal marked ORIGINAL. It must include a statement that any contract terms spelled out in this RFP would be acceptable if a contract were awarded. The Transmittal Letter shall also include:

- A statement indicating that the Bidder is a corporation or other legal entity;
- A statement confirming that the Bidder is registered to do business in the State of Arkansas and providing its corporate charter number to work in the State of Arkansas;
- A statement identifying the Bidder's federal tax identification number;
- A statement that 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;
- A statement that the Bidder has or has not retained any person or agency to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage, or other contingent arrangement except as disclosed in the Bidder's proposal;
- A statement of Affirmative Action, that the Bidder does not discriminate in its employment practices with regard to race, color, religion, age (except as provided by law), sex, marital status, political affiliation, national origin, or disability;
- A statement to detail any current pending or past (3 years) litigation.
- A statement that no cost or pricing information has been included in the Transmittal Letter or any other part of the Technical Proposal;
- If issued, a statement identifying by number, date, and acceptance of all amendments to this RFP issued by AHIM that have been received by the Bidder;
- A statement that the Bidder has read, understands, and agrees to all provisions of this RFP without reservation;
- Certification that the Bidder's offer will be firm and binding for 180 days from the proposal due date;
- A statement naming any outside firms responsible for writing the proposal;
- All proposals submitted by corporations must contain certifications by the secretary, or other appropriate corporate official other than the corporate official signing the Technical Proposal, that

the corporate official signing the Technical Proposal has the full authority to obligate and bind the corporation to the terms, conditions, and provisions of the Technical Proposal;

- All proposals submitted must include a statement that the Bidder presently has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of services under this Contract, and it shall not employ, in the performance of this Contract, any person having such interest; and,
- If the proposal deviates from the detailed specifications and requirements of this RFP, the Transmittal Letter must identify and explain these deviations. AHIM reserves the right to reject any Technical Proposal containing such deviations or to require modifications by the Bidder before acceptance.

The Transmittal Letter must also be accompanied by *Appendix A: Vendor Information Sheet* containing the following:

- Name of the company or individual;
- Mailing address;
- Street address (for FEDEX or other mail service);
- Name and title of person who would sign the contract;
- Name and title of the company contact person (if different); and,
- Contact person: direct telephone number, fax number, and email address.

The Transmittal Letter must also be accompanied by a letter from each subcontractor, signed by an individual with the authority to bind the company, that 1) affirms the subcontractor's participation in the bid as a subcontractor, 2) describes the subcontractor's understanding of their role(s) and responsibilities, and 3) estimates the amount of revenue that will flow to the subcontractor if the Bidder's Proposal is accepted.

#### **5.4 Tab 2 – Mandatory Requirements Checklist**

Bidders must complete and submit the Technical Proposal Submission Requirements Checklist. The template for the Mandatory Technical Proposal Requirements Checklist is included in *Appendix C: Mandatory Requirements Checklist*.

#### **5.5 Tab 3 – Executive Summary**

The Executive Summary shall clearly and concisely summarize and highlight relevant contents of the Proposal to provide AHIM and the Proposal Review Team with a broad understanding of the Bidder's Technical Proposal.

Bidders should summarize how their Proposal meets the requirements of this RFP, how the Bidder's Proposal is best suited to meet the goals and objectives of AHIM as understood by the Bidder, and why the Bidder is best qualified to perform the work required. The Executive Summary shall highlight the Bidder's:

- Understanding of the project, project management approach, and commitment to successfully performing all project activities;
- Qualifications to serve as a Contractor for the project;
- Overall approach to the project, including highlights of the proposed Solution, Work Plan and Schedule, Staffing, approach to activities included in the scope of services;



- Project challenges, risks, and suggested mitigation strategies; and,
- Summary of the contents of the Proposal.

## **5.6 Tab 4 – Corporate Experience**

This section will provide a description of the content that must be contained in the Company Background section of the Technical Proposal. This description will include:

- Company Background;
- Company Experience;
- Corporate References; and,
- Company Financial Condition.

Bidders must provide a detailed summary of Bidder and subcontractor experience including company background. The Bidder must provide a concise, but thorough description of its relevant experience, capabilities, and verifiable successes. The Bidder must also provide this information for its subcontractors as well. The material shall be presented for the Bidder first and subsequently for any subcontractor(s) in order of the size (i.e., revenue) of their role in the project.

Bidders are asked to complete *Appendix D: Corporate References* in providing corporate references.

### **5.6.1 Case Study**

AHIM requests to know how your firm has planned and implemented similar work. Provide a case study, in three (3) pages or less, of a similar project completed within the past three (3) years. If possible, please include details on a project related to the ACA or health insurance.

### **5.6.2 Experience Questions**

Provide additional details on your firm’s approach by completing the following questions.

#### *Experience*

1. What experience does your organization possess in the Arkansas Health Insurance / Healthcare industry?
2. What experience does your organization possess regarding the Affordable Care Act (ACA)?
3. Describe and emphasize your firm’s experience working with and targeting outreach across multiple population segments. Reference the case study example when/if possible.
  - a. Include any projects completed on behalf of state or federal government entities.
4. How will you partner with existing entities across the State of Arkansas? Please list potential partner organizations including current healthcare providers, grass roots / community organizing groups and others. Please specify if you have any previous relationships which will be beneficial in this capacity.
5. Are there any additional qualifications you would like to mention that will help AHIM recognize how your organization is uniquely qualified for this campaign?

## 5.7 Tab 5 – Organization and Staffing Plan

The Organization and Staffing section shall include: 1) project team organization; 2) charts of proposed personnel and positions; and 3) identification and resumes of key personnel, as required in this RFP. The Bidder shall acknowledge the requirement that certain key personnel are required to be located in Little Rock, Arkansas during major reporting instances, and at the reasonable request of AHIM staff. Key personnel must include, at a minimum, one (1) full-time person as Project Manager and any other necessary positions.

Additional knowledgeable staff, as deemed necessary by the Bidder to fulfill the roles and responsibilities for all phases of the project, including each major activity as listed in *Section 4: Scope of Work*, shall also be discussed. The Bidder shall acknowledge that key personnel are not to be replaced, substituted, or removed from the position and/or phase proposed without explicit approval from AHIM. Any attempt by the Bidder to replace, substitute, or remove key personnel as proposed without approval from AHIM may result in AHIM invoking its rights under *Section 8.5: Performance Standards and Associated Liquidated Damages* and/or nullification of contract award.

### 5.7.1 Organization

The organization charts shall show staff organizational structure, including the project team reporting structure and the reporting structure inside the organization for the members of the proposed project team (including management, key personnel, and other resources). Specifically:

- Organization and Staffing during each phase as described in this RFP;
- Percentage of time that key personnel are expected to be dedicated to each phase of the project;
- Fulltime, part-time, and temporary status of all employees;
- Explanation for any individual assigned to share responsibilities between key personnel positions and/or phases of the project; and,
- Planned use of any subcontractors.

The Bidder shall make every effort to fill key personnel positions with fulltime staff. In the event that the Bidder proposes a subcontractor as key personnel, AHIM may retain their refusal right for each subcontractor proposed as key personnel.

### 5.7.2 Responsibilities

Responsibilities and the anticipated roles of key personnel shall be identified for all phases of the Contract. All proposed key management, including definitions of their responsibilities during each phase of the Contract, should be included.

### 5.7.3 Resumes

The Bidder must submit resumes of all proposed key personnel identified in its proposal. Resumes should be provided in the format shown in *Appendix E: Proposed Key Staff Resume Template*.

Each project referenced in a resume should include the customer name, the time period of the project, and the time period the person performed, as well as a brief description of the project and the person's responsibilities.

#### 5.7.4 Staff References

The Bidder must submit three (3) references for each proposed key personnel. Each reference should be prepared to give information on the individual's experience and competence. References should be in the format provided in *Appendix F: Staffing References Template*.

#### 5.8 Tab 6 – Project Management and Control

Bidders must include a Project Management and Control section that includes a summary description of the methodology to be used in planning and control of the project, project activities, and progress reports. Specific explanation must be provided if solutions vary from one phase to another. This section should include the Bidder's:

- Project management approach tasks;
- Project control tasks;
- Manpower and time estimating methods;
- Sign-off procedures for completion of all deliverables and major activities;
- Management of performance standards, milestones and/or deliverables;
- Anticipated problem areas and the approach to management of these areas, including loss of key personnel, and/or loss of technical personnel;
- Project status reporting, including examples of types of reports;
- Approach to AHIM's interaction with contract management staff; and,
- Other Contractor responsibilities set forth in this RFP.

In addition, the Bidder must provide a description of the approach to completing the Bidder's responsibilities and producing the project management deliverables as described in this RFP.

#### 5.9 Tab 7 – Work Plan

Bidders must provide a Work Plan and Schedule that includes:

- Detailed descriptions of the major activities, tasks, and subtasks necessary to accomplish the requirements of this RFP;
- Identification of the responsible party (AHIM or the Bidder) for each major task and activity; and,
- Discussion of the flexibility of the Work Plan to meet changes in program requirements and cope with delays should they occur.

#### 5.10 Tab 8 – Approach

The Bidder must address the Bidder's approach to completing all activities described in *Section 4: Scope of Work*. The Bidder's Proposal must include the following subsections:

- Project Initiation;
- Design;
- Development;
- Implementation; and,
- Monitoring and Evaluation

For each phase, the Bidder must describe their methodology to achieve all tasks and complete all deliverables. The Bidder may suggest alternative tasks and/or deliverables, provided they explain their reasoning and any associated ramifications. They are also encouraged to identify any major risks associated with completing each phase on time and describe their corresponding mitigation strategies.

Any tasks to be completed by the subcontractor must be identified. A complete list of tasks can be found in *Table 4-1 – SHOP and Individual Market Campaign Tasks*.

### **5.10.1 Initiation and Design Questions**

Provide additional details on your project initiation and design by completing the following questions.

#### *Initiation and Design*

1. How does your organization plan to use resources effectively to reach the uninsured and those eligible for participation in AHIM?
2. What critical population or demographic gaps do you see emerging over the course of the outreach efforts?
3. How will you segment the state's population for the purposes of outreach efforts and how will messages differ across those segments?
4. How will you develop an effective branding strategy for outreach across the State of Arkansas?
  - a. How will you develop an effective branding strategy for AHIM?
5. How will you ensure that you are developing a culturally sensitive materials to be delivered to the demographic groups across the State of Arkansas?
6. Many Arkansans, 138 – 400% of FPL, remain uninsured. How will you specifically address these individuals who will qualify for premium assistance?
7. At a high level, what percent of your outreach efforts and resources do you believe will be dedicated to the various forms of media available across the state?
8. How will your campaign channels differ between the SHOP and Individual Market Phases?

### **5.10.2 Development and Implementation Questions**

Provide additional details on your development and implementation approach by completing the following questions.

#### *Development and Implementation*

1. Address the following means of marketing and outreach and how they may be used during the course of this contract. Describe how your organization will introduce the following and in what volumes.
  - a) Branding
  - b) AHIM website
  - c) Television
  - d) Radio
  - e) Billboards and other large scale outdoor media
  - f) Social media
  - g) Outreach materials (brochures, direct mail)
  - h) Mobile Applications
  - i) Other marketing, education and outreach efforts (events, public relations rallies, kick off events, visibility campaigns)

### **5.10.3 Monitoring and Evaluation Questions**

Provide additional details on your monitoring and evaluation approach by completing the following questions.

#### *Monitoring and Evaluation*

1. What techniques has your firm used in the past in measuring the impact and success of a campaign?
2. What techniques has your firm previously used in recalibrating an initial proposal based on evaluation results? Include details.
3. What details does your firm envision presenting to AHIM in demonstrating project progress?

### **5.11 Tab 9– Assumptions, Qualifiers and Constraints**

The Bidder must indicate any assumptions made in submitting their Proposal. If no assumptions are included, the Bidder shall make a statement to that effect.

## **6 COST PROPOSAL REQUIREMENTS**

### **6.1 General**

The Bidder must submit one (1) original hardcopy Cost Proposal and two (2) copies. The Cost Proposal must be typewritten on standard 8 ½ x 11 paper (larger paper is permissible for charts, spreadsheets, etc.). The original hardcopy of the Cost Proposal must contain original signatures in blue ink and be clearly marked as “Original Cost Proposal.” The Cost Proposal should also include one (1) electronic copy in Microsoft Office (Word, Excel, and PowerPoint) format or Adobe Acrobat Portable Document Format (PDF) and saved to a flash drive.

Pricing will be considered under separate scoring criteria than the Technical Proposal.

### **6.2 Cost Proposal Content**

The Bidder’s Cost Proposal shall consist of the following sections, separated by tabs:

- Executive Summary;
- Price Sheets; and,
- Letter of credit for the higher of \$500,000 or 10% of the proposed cost proposal. Please provide proof of Credit on official Bank Letterhead and signed by an individual from the lending organization.

Price Sheets will be submitted as part of the Cost Proposal. The Bidder will propose firm pricing on each Price Sheet.

#### **6.2.1 Executive Summary**

The Bidder’s Cost Proposals must include an Executive Summary no more than two (2) pages long. The Executive Summary should summarize and highlight relevant contents of the Cost Proposal for AHIM and provide a broad understanding of the Bidder’s Pricing Approach. The Executive Summary should include a statement certifying that all pricing information presented as part of the Proposal is in U.S. dollars and that all required cost information is enclosed.

#### **6.2.2 Business Overview**

This section will provide a description of the requirements for providing the Contractor’s Business Overview, including conflict of interest and insurance requirements.

#### **6.2.3 Cost Schedule Instructions**

The price proposal must be inclusive of all taxes, travel expenses, materials, and print or production costs. Where applicable, please break out these costs to the greatest extent possible. To the extent the goods and services to be provided under the Contract are subject to any excise tax, public service tax, use tax, or any other federal or state tax, the Contractor, and not AHIM, shall be responsible for and shall pay such tax. No additional payments shall be made to Contractor, or shall be made on Contractor’s behalf, related to any tax. Contractor shall, at its expense, indemnify, defend with counsel reasonably approved by AHIM, and hold harmless AHIM, from and against any losses, liabilities, damages, penalties, costs, obligations, fees

(including without limitation reasonable attorneys’ fees), and expenses from any third party claim, action, suit or judgment related to failure to pay taxes related to the Contract.

Bidders are asked to Provide Cost Proposal details in the following format in **Tables 6.1 – 6.4**. Bidders are asked to provide additional details where possible. Bidders are encouraged to factor in economies of scale in the development and costing of separate Marketing Campaigns. These costs are inclusive of the development and print of all materials for the open enrollment periods of 2015 and 2016. Please remember the SHOP Marketing Campaign will be ongoing throughout the Individual Market Campaign in 2016.

*Table 6.1 Phase 1 Costs*

	Category	Costs
<b>Phase 1 Branding</b>	Development of Integrated Branding Strategy	
	Market Research, Surveys and Testing	
	Conduct Focus Groups	
	Integrated Strategy across Brand Channels and Platforms	
	Creative Strategy and Development	
	Website Development	
	Creation and Management of Website	
	Create and Manage Overall Website Infrastructure	
	Contact List for Marketplace Assisters	
	Anonymous Browsing	
	Multilingual Approach	
	<i>Total Phase 1 Expenses</i>	\$ -

*Table 6.2 Phase 2 Costs*

	Category	Costs
<b>Phase 2 SHOP Market Marketing Campaign</b>	Develop SHOP Specific Marketing Campaign	
	Creation of SHOP Specific Marketing Materials	
	Outreach Support	
	Design Overall Outreach Campaign	
	Define relationships and strategy with Outreach Entities, Outreach Partner Event Support	
	Manage Internal and External Communications	
	Develop Media Plan	
	Implement and Manage Social Media Campaign	
	Paid Media and Earned Media	
	Markup and Commission for Media Buys	
	Print and Materials Development Costs	
	Website Updates for SHOP Campaign	
	Evaluation and Research	
	Evaluation of SHOP Campaign and Communication Strategies	
	Real Time Evaluation	
	Survey Effectiveness of 2015 Marketing and Outreach Campaign	
	<i>Total Phase 2 Expenses</i>	\$ -



*Table 6.3 Phase 3 Costs*

	Category	Costs
<b>Phase 3 Individual Market Marketing Campaign</b>	Develop Individual Market Specific Marketing Campaign	
	Creation of Individual Market Specific Marketing Materials	
	Outreach Support	
	Design Overall Outreach Campaign	
	Define relationships and strategy with Outreach Entities, Outreach Partner Event Support	
	Manage Internal and External Communications	
	Develop Media Plan	
	Implement and Manage Social Media Campaign	
	Paid Media and Earned Media	
	Markup and Commission for Media Buys	
	Print and Materials Development Costs	
	Website Updates for SHOP Campaign	
	Evaluation and Research	
	Evaluation of SHOP Campaign and Communication Strategies	
	Real Time Evaluation	
	Survey Effectiveness of 2016 Marketing and Outreach Campaign	
	<i>Total Phase 3 Expenses</i>	\$ -

*Table 6.4 Phase 1 - 3 Costs*

	Category	Costs
<b>Phase 1 - 3 Total Costs</b>	Phase 1 - 3 Project Costs	\$ -
	Travel Expenses	
<b>Complete Project Costs</b>	Other Costs	
	Taxes	
	<b>Complete Project Total</b>	\$ -

### 6.2.3.1 Contractor's Acknowledgement of Penalty

Bidders must affirmatively acknowledgement penalties associated with delays or non-completion of deliverables as outlined in the resulting contract.

## **7 EVALUATION PROCESS**

### **7.1 Evaluaton Approach**

AHIM will conduct a comprehensive, fair and impartial evaluation of proposals in response to this RFP. AHIM will select the successful Bidder through a formal evaluation process established prior to the opening and evaluation of proposals. The process will remain fixed throughout the procurement cycle.

Consideration will be given to capabilities and advantages which are clearly described in each proposal, confirmed by oral presentations/interviews if scheduled, and verified by information from reference and other sources contacted by AHIM. AHIM reserves the right to contact any individuals, entities, or organizations who have had recent contracts or relationships with the Bidder to fully ascertain the Bidder's ability to execute the scope of work described in this RFP.

#### **7.1.1 Consideration of Outside Information**

AHIM reserves the right to consider information not contained in the response to this RFP in the evaluation of vendors.

### **7.2 Evaluation Committee**

AHIM will select a Proposal Review Team that will evaluate the Technical and Cost Proposals. The Proposal Review Team will provide recommendation(s) based on its review of the responses to the AHIM Board of Directors.

### **7.3 Evaluation of Proposals**

AHIM reserves the right to reject any or all proposals received or to cancel this RFP, if it is in the best interest of AHIM. AHIM reserves the right to request clarifications or enter into discussions with a Bidder. AHIM also reserves the right to waive minor irregularities in proposals, providing that such action is deemed to be in the best interest of AHIM. Where AHIM may waive minor irregularities, such waiver shall in no way modify RFP requirements or excuse the Bidder from full compliance with RFP specifications and other contract requirements if the Bidder is awarded the contract.

All proposals submitted will become the property of AHIM and will be considered a matter of public record after Contract negotiations are complete.

#### **7.3.1 Phase One – Mandatory Requirements Evaluation**

In this phase, each proposal will be assessed to determine if the proposal is sufficiently responsive. This process will verify that Bidder proposals were received by the specified date and time. Proposals received in a timely and appropriate manner will then be opened and reviewed. Each proposal will be evaluated to determine if it is complete and whether it responds to the mandatory terms and conditions in the RFP. A responsive proposal shall comply with all instructions listed in this RFP, specifically in *Section 2: RFP Schedule and Procurement Process*, *Section 6: Technical Proposal Requirements*, and *Section 6: Cost Proposal Requirements*.

Each proposal that is incomplete will be declared non-responsive and may be rejected with no further evaluation. AHIM will determine if an incomplete proposal is sufficiently responsive to continue to Phase Two.

### 7.3.2 Phase Two - Technical Proposal Evaluation

Only those proposals that pass the requirements of Phase One will be considered in Phase Two. AHIM reserves the right to waive minor variances or reject any or all proposals.

The following table shows the proposed evaluation methodology by response section within the RFP. The cost proposal will be evaluated separately and independently from the technical proposal as noted below.

**Table 8-1: Evaluation Process**

<b>Proposal Category</b>	<b>Evaluation Proportion</b>
Executive Summary	
Corporate Experience	
Organization and Staffing	
Approach to Scope of Work	
Assumptions, Qualifiers and Constraints	
Interviews (if needed)	
<b>Total Technical Proposal</b>	<b>75%</b>
Cost of Contract Period	
<b>Total Cost Proposal</b>	<b>25%</b>
<b>Total Proposal</b>	<b>100%</b>

The highest ranked bidder will be determined based on the consensus of the reviewers' analysis of the independently reviewed technical and cost proposals, factoring in the weighting levels stated above.

### 7.4 Contract Approvals

AHIM will require that the selected Bidder participate in contract negotiations regarding the terms and conditions of the contract. Upon resolution of the final negotiations, AHIM will prepare a final contract. If for any reason AHIM and the apparent successful Bidder are unable to reach agreement of the terms and conditions of a contract, AHIM may then proceed to negotiate a contract with the Bidder with the next highest rated proposal. AHIM may cancel negotiations entirely at any time at the exclusive direction of AHIM.

The contract award is contingent upon both federal and State of Arkansas reviews and approvals and is subject to federal funding. Every effort will be made by AHIM, both before and after selection, to facilitate rapid approval. AHIM will obtain all required State and federal approvals prior to the start of work by the successful Bidder.

## **8 CONTRACT TERMS AND CONDITIONS**

### **8.1 General Overview**

The Contract awarded at the end of this process shall be governed by and construed in accordance with the laws of the State of Arkansas. The Contract will include, in part, certain terms and conditions required by CMS, whether or not expressly set forth in the Contract provisions. All contractual provisions required by CMS and the ACA (including any changes) are hereby incorporated by reference. Anything to the contrary notwithstanding, all CMS and ACA mandated terms will be deemed to control in the event of a conflict with other provisions contained in the Contract. The Contract will also be subject to any financial assistance agreement between AHIM and CMS, and all laws, regulations, guidelines, and provisions of the financial assistance agreement will apply to the Contract and will be incorporated by reference.

### **8.2 Applicable Law**

The Contract shall be governed by and construed in accordance with the laws of the State of Arkansas, excluding its conflict of law provisions, and any litigation shall be brought in the courts of the State of Arkansas. The Contractor shall comply with applicable federal, state, and local laws and regulations.

#### **8.2.1 Conformance with Federal and State Regulations**

The Contractor will be required to conform to all federal and state laws, regulations, and policies as they exist or as amended, and will be required to indemnify AHIM against any claims made against AHIM arising from the Contractor's non-compliance.

Any provision of the Contract that is in conflict with federal ACA statutes, regulations, or CMS policy guidance is hereby amended to conform to the provisions of those laws, regulations, and federal policy. Such amendment of the Contract will be effective on the effective date of the statutes or regulations necessitating it, and will be binding on the parties even though such amendment may not have been reduced to writing and formally agreed upon and executed by the parties.

### **8.3 Terms of Contract**

The contract term shall begin upon execution of the Contract and shall continue its initial term for two (2) years. At the discretion of AHIM, this contract may be extended for three (3) subsequent one (1) year periods on a year to year basis.

The Contractor acknowledges that other unanticipated uncertainties may arise that may require an increase or decrease in the original scope of services from the Contractor awarded the Contract. In the event that there is a need to modify the Contract resulting from an increase or decrease of services, the Contractor agrees to negotiate in good faith with AHIM for the change in scope. The amendment to the Contract may also include a respective increase or decrease in compensation.

#### **8.3.1 Stop Work Order**

The Executive Director of AHIM may, by written order to the Contractor at any time, and without notice to any surety, require the Contractor to stop all or any part of the work related to the performance of the Contract. For purposes of Section 8, performance will be defined as meeting detailed requirements in *Section 4 Scope of Work* of this RFP. The terms listed in *Section 4 Scope of Work* do not represent an exclusive list of contractual performance pieces. This order shall be for a specified period not exceeding

ninety (90) days after the date in which AHIM hand-delivers the order by certified mail to the Contractor. Any such order shall be identified specifically as a stop work order issued pursuant to this clause. Upon receipt of such an order, the Contractor shall comply with its terms and take all reasonable steps to mitigate the occurrence of costs allocable to the work covered by the order during the period of work stoppage. Before the stop work order expires, or within any further period to which the parties shall have agreed, the Executive Director shall either:

- A. Cancel the stop work order; or
- B. Terminate the work covered by such order as provided in the Termination for Default Clause or the Termination for Convenience Clause of the Contract entered into by the parties pursuant to this RFP.

### **8.3.2 Cancellation or Expiration of the Order**

If a stop work order issued under this clause is cancelled at any time during the period specified in the order, or if the period of the order or any extension thereof expires, then the Contractor shall have the right to resume work within three (3) business days. An appropriate adjustment shall be made in the delivery schedule or Contractor price, or both, reflecting the new delivery dates and the Contract shall be modified in writing accordingly, if:

- A. The stop work order results in an increase in the time required for the performance of any part of the Contract or performance in connection with any part of the Contract; or
- B. The Contractor asserts a claim for such an adjustment within thirty (30) days after the end of the period of work stoppage; provided that, if the Executive Director decides that the facts justify such action, any such claim asserted may be received and acted upon at any time prior to final payment under the Contract.

If a stop work order is not cancelled and the work covered by such order is terminated for default or convenience, the reasonable costs resulting from the stop work order shall be allowed by adjustment or otherwise.

### **8.3.3 Termination of the Contract**

The Contract may be terminated for the reasons below.

**Bankruptcy or Insolvency.** AHIM may terminate the Contract, in whole or in part, in the event that the Contractor shall cease conducting business in the normal course, become insolvent, make a general assignment for the benefit of creditors, suffer or permit the appointment of a receiver for its business or its assets or shall avail itself of, or become subject to, any proceeding under the Federal Bankruptcy Act or any other statute of any state relating to insolvency or the protection of the rights of creditors.

**Default.** AHIM may terminate the Contract, in whole or part, whenever AHIM determines that the Contractor has failed to satisfactorily perform its contractual duties and responsibilities. The Contractor may be given the opportunity to cure the default with the expressed written consent of AHIM.

**Convenience.** AHIM may terminate the Contract, in whole or part, whenever for any reason AHIM deems such termination is in the best interest of AHIM.

**Non-availability of Funds.** The parties understand that AHIM is an independent body corporate and politic established by Arkansas Code § 23-61-801 *et seq.* The obligations of AHIM are not those of the State of Arkansas. It is expressly understood and agreed that the obligation to proceed under the Contract is conditioned upon AHIM's receipt of federal funds. AHIM may terminate the Contract if sufficient federal funds are not received as anticipated by AHIM. AHIM must provide written notice to the Contractor within three (3) business days of having received notice of the delayed funds.

#### **8.3.4 Force Majeure**

If the Contractor is prevented from performing any of its obligations, in whole or in part, as a result of major epidemic, act of God, war, civil disturbance, court order or any other cause beyond the Contractor's control, the Contractor shall make a good faith effort to perform such obligations through its then-existing facilities and personnel; and such non-performance shall not be grounds for termination for default.

Neither party to the Contract shall be responsible for delays or failures in performance resulting from the acts as set forth above or any unforeseen events beyond the control of either party.

Nothing in this section shall be construed to prevent AHIM from terminating the Contract for reasons other than default during the period of events set forth above, or for default if such default occurred prior to such event.

#### **8.4 Payment**

AHIM shall pay the Contractor's invoices within forty-five (45) days of AHIM's written acceptance of the deliverables associated with any such invoice. If AHIM is unable to pay because of cash flow limitations arising from AHIM's reliance on release of federal grant funds to pay the Contractor, this period shall be extended. AHIM shall provide written notice to the Contractor of the delay in receipt of federal grant funds within three (3) business days from which AHIM has received notice from the federal government of the same.

The Contractor shall submit an original invoice and one copy for services performed to:  
Amanda Spicer  
Director of Finance  
Arkansas Health Insurance Marketplace  
1501 North University Ave., Ste. 970  
Little Rock, AR 72207

#### **8.4.1 Payment for Design, Development, Testing, Training, Conversion/ Migration, and Implementation**

AHIM will pay a firm fixed price upon each deliverables' completion and AHIM's written acceptance of each payment deliverable listed in *Price Sheet B* in *Section 6: Cost Proposal Requirements*. This list represents each and every payment deliverable for all activities described in *Section 4: Scope of Work*. Prices for each payment deliverable will be based on the Bidder's Cost Proposal as finalized in the Contract resulting from this procurement.

Ten percent (10%) of the price of each payment deliverable proposed on *Pricing Schedule B* in the Contractor's Cost Proposal as finalized in the Contract will be retained until the completion and AHIM's

expressed written consent of all implementation activities (requirements definition, design, development, testing, training, conversion/migration, and implementation) as stated in *Section 4: Scope of Work*. AHIM may, at its option, release the ten percent (10%) withheld (of each deliverable) if a payment deliverable is completed and approved prior to the schedule approved in the Contract or for any other reason it deems warranted.

#### **8.4.2 Payments for Modification Services**

Monthly maintenance and operations payments will include costs for modification services provided within the defined *Section Price Sheet C* in *Section 6: Cost Proposal Requirements*. In addition, AHIM shall pay the Contractor for any additional modifications of the system that exceed the Modification Hours defined in *Price Sheet C* in *Section 6: Cost Proposal Response Requirements* to reflect additional customer-required changes as prioritized and approved by AHIM. The hourly rate for these services shall be as proposed *Hourly Rate Sheet by Position and Calendar Year* in *Section 6: Cost Proposal Requirements* in the Contractor's Cost Proposal and finalized in the Contract resulting from this procurement.

#### **8.4.3 Other Payments**

No other payments will be made for deliverables or services provided under the Contract without an expressed written amendment of the Contract as executed by the parties. No separate payment will be made for Project Initiation or Services.

### **8.5 Performance Standards and Associated Liquidated Damages**

#### **8.5.1 Performance Damages**

AHIM will pay a firm fixed price upon completion of specified performance under the Contract. AHIM's approval of each payment deliverable listed in *Payment Schedule* in *Section 6: Cost Proposal Requirements* to be based on *Price Sheet A* in the *Contractor's Cost Proposal* as finalized in the Contract resulting from this procurement. For each day that any work shall remain uncompleted beyond the time(s) specified elsewhere in the Contract (including dates for deliverables and milestones found in the Work Plan provided in the Technical Proposal as finalized in the Contract resulting from this procurement), the Contractor shall be liable for liquidated damages in the amount(s) of \$1,000 per calendar day. Any liquidated damage amounts due and payable by the Contractor pursuant to any paragraph of the Contract shall be payable, not as a penalty, but as liquidated damages, estimated at the time of the executed Contract, representing an estimate of damages likely to be sustained by AHIM.

#### **8.5.2 Actual Damages and Liquidated Damages**

AHIM reserves the right to assess actual or liquidated damages upon the Contractor's failure to provide timely services required pursuant to the Contract. The Contractor shall be given fifteen (15) days' notice to respond before AHIM makes the assessment. Any assessment will be offset against the subsequent scheduled deliverables payment to the Contractor. If liquidated damages are known to be insufficient, then AHIM has the right to pursue actual damages. Assessment of any actual or liquidated damages does not waive any other remedies available to AHIM pursuant to the Contract and state or federal law.

#### **8.5.3 Other Damages**

If the Contractor's failure to perform satisfactorily under a two-prong test for scope of work as defined in *Section 4 of the RFP: Scope of Work*, quality of work as defined in *Section 4.5 of the RFP: IV&V Standards*

*and Quality*, AHIM is required to contract with another person or entity to perform services required of the Contractor under the Contract, upon notice setting forth the services and liquidated damages, AHIM may retain from Contractor payment(s) in an amount commensurate with the costs anticipated to be incurred, as described above. AHIM shall account to the Contractor for costs incurred and return any excess amount to the Contractor. If the amount withheld is not sufficient, the Contractor shall immediately reimburse AHIM the difference or AHIM may offset from any payment(s) due the Contractor. The Contractor will cooperate fully with the supplemental Contractor and provide any necessary assistance to implement the terms of its agreement for services with the supplemental contractor.

## **8.6 Cost or Pricing Data**

The Contractor certifies that the prices submitted in response to this RFP have been arrived at independently and without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder or competitor relating to those prices, the intention to submit a bid, or the methods or factors used to calculate the prices bid.

## **8.7 Publicity Policy**

News release(s), media interviews or other publicity by a Vendor pertaining to this RFP or any portion of the project shall not be made without the expressed prior written consent of AHIM. Failure to comply with this requirement is deemed to be a valid reason for disqualification of the Vendor's proposal.

The Contractor agrees not to use AHIM's name, trademark, service marks, type treatment, or any data arising or resulting from this RFP or the Contract as part of any commercial advertising or proposal without the expressed prior written consent of AHIM in each and every instance.

## **8.8 Subcontracting**

To the fullest extent practicable, the Contractor shall enter into contracts with Arkansas businesses, and shall employ citizens of Arkansas to staff and provide support and other services for AHIM.

The Contractor is solely responsible for the fulfillment of the Contract terms with AHIM. AHIM will make payments only to the Contractor. The Contractor will include all proposed subcontractors in its response to this RFP.

The Contractor may negotiate and enter into contracts or agreements with subcontractors (with expressed prior written consent of AHIM) to the benefit of the Contractor and the State as long as the subcontractors meet all established criteria and provide the services in a manner consistent with the minimum standards specified. All such agreements shall be in writing and shall specify the activities and responsibilities delegated to the subcontractor. The contracts must also include provisions for revoking delegation or imposing other sanctions if the subcontractor's performance is inadequate. AHIM reserves the right to approve any subcontractor utilized by the Contractor. AHIM reserves the right to inspect all subcontract agreements at any time during the contract period. Any subcontract may be subject to AHIM's prior review and approval. The Contractor's subcontractor shall submit evidence or other documentation from the Arkansas State Tax Commission, showing all delinquent taxes, if any, levied or accrued under State law against the subcontractor have been paid.



No subcontract or agreement the Contractor enters into with respect to the performance under the Contract shall in any way relieve the Contractor of any responsibility for any performance required of it by the Contract. The Contractor shall provide, within three (3) business days to AHIM, notice in writing by registered or certified mail of any action or suit filed against it by any subcontractor or provider. Furthermore, the Contractor shall make prompt notice of any claim against it or one that might result in litigation related in any way to the Contract with the State of Arkansas. The Contractor shall designate itself as the sole point of recovery for any subcontractor.

Any use of subcontractors by the Contractor will not obligate AHIM as a party to the subcontract, nor create any right, claim, or interest for the subcontractor against AHIM, its agents, employees, representatives, or successors.

### **8.8.1 Anti-Assignment**

The Contractor shall not sell, transfer, assign, or otherwise dispose of its benefits, duties, or obligations of the Contract (whether by operation law, reorganization, reverse triangular merger, or otherwise) without the expressed written consent of AHIM.

## **8.9 Ownership Rights**

### **8.9.1 Ownership of Proposal**

AHIM shall have the right to use, monetize, license, seek patent protection for and otherwise exploit in any manner any and all ideas presented in any proposal unless a Bidder presents a statement of objection in its proposal. In no event will such objections be considered as valid with respect to the exploitation of such ideas that; 1) are not the proprietary information of the Bidder as evidenced by a filed United States patent application with a filing date that predates the date of the RFP and is so identified in its proposal; or 2) were known to AHIM before submission of such proposal; or 3) properly became known to AHIM thereafter through other sources or through acceptance of the Bidder's proposal.

### **8.9.2 Ownership of Documents**

Where activities supported by the Contract produce original writings, sound recordings, pictorial reproductions, drawings, or other tangible embodiments of creative ideas and works of any similar nature, AHIM shall own all right, title and interest in and to such, including all intellectual property rights, and Contractor hereby assigns and agrees to assign to AHIM any and all right and title in and to such that Contractor may have. Contractor may retain a limited, revocable, personal, non-sub licensable, royalty-free license under AHIM's copyrights to use such materials, with the prior written consent of AHIM. Contractor must adhere to all applicable Federal and State confidentiality laws and any information deemed confidential by AHIM.

### **8.9.3 Ownership of Information and Data**

All data, electronic or otherwise, collected by the Contractor and all documents, notes, programs, databases (and all applications thereof), files, reports, studies, code, software, domain names, trademarks, source identifiers, trade secrets, works of authorship and/or other material authored, invented, conceived, reduced to practice, collected or prepared by the Contractor or its agents, employees, delegates or subcontractors in connection with the Contract, whether completed or in progress (collectively, the "Materials"), shall be the

property of AHIM. The Contractor hereby assigns and agrees to assign to AHIM any and all right and title in and to such Materials that Contractor may possess. Accordingly, Contractor shall obtain from all persons engaged or employed by Contractor under the Contract to perform or create any Materials an assignment of intellectual property rights. AHIM hereby reserves all rights to the databases and all applications thereof and to any and all information and/or materials prepared in connection with the Contract. The Bidder and Contractor are prohibited from use of the above described information and/or materials without the express written consent of AHIM.

## **8.10 Interpretations / Changes / Disputes**

### **8.10.1 Amendment or Modification**

Any amendment or modification of the Contract must be written and signed by both parties.

### **8.10.2 Conflict of Language**

In the event of a conflict in language among any of the components of the Contract, this RFP shall govern. AHIM reserves the right to clarify any contractual relationship in writing and such clarification will govern in case of conflict with the requirements of this RFP. Any ambiguity in this RFP shall be construed in favor of AHIM.

### **8.10.3 Waiver**

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

### **8.10.4 Severability**

If any provision of the Contract (including items incorporated by reference) is declared or found to be illegal, unenforceable, or void, then both AHIM and the Contractor shall 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 funding and shall be fully performed.

AHIM may at any time, by written order delivered to the Contractor at least fifteen (15) days prior to the commencement date of such change, make administrative changes within the general scope of the Contract. If such change(s) causes an increase or decrease in the cost of the performance of any part of the work under the Contract, an adjustment commensurate with the change in the cost of performance under the Contract will be made in the Contract price or delivery schedule, or both. Any claim by the Contractor for adjustment under this clause must be asserted in writing to AHIM within fifteen (15) days from the date of receipt by the Contractor of the notification of change. Failure of the parties to agree to any adjustment will be a dispute within the meaning of *Section: 8.10.5* herein. Nothing in this case, however, will in any manner excuse the Contractor from proceeding diligently with the Contract as changed.

If the parties are unable to reach agreement within fifteen (15) days of receipt of the Contractor's cost estimate, AHIM will make a determination of the revised price and the Contractor will proceed with the work according to a schedule approved by AHIM subject to the determination of price pursuant to the *Section: 8.10.5* herein. Nothing in this section will in any manner excuse the Contractor from proceeding diligently with the Contract as changed.

### **8.10.5 Disputes**

If a dispute arises between the parties regarding their rights or obligations under the Contract, the parties shall first attempt to settle the dispute by direct discussions. If the dispute is not settled by the parties by direct discussions, then the parties agree to endeavor to settle the dispute in an amicable manner by mediation administered by the American Arbitration Association under its Commercial Mediation Rules. Thereafter, any unresolved dispute arising from or relating to a breach of the Contract shall be resolved as provided by the Contract and by applicable law. The Federal and State courts of Arkansas have exclusive jurisdiction, and venue for litigation and all other proceedings shall be located in Pulaski County, Arkansas.

### **8.10.6 Cost of Litigation**

In the event that AHIM deems it necessary to take legal action to enforce any provision of the Contract, the Contractor shall bear the cost of such litigation, as assessed by any court, in which AHIM prevails. AHIM shall not bear any of the Contractor's attorney fees or other cost of litigation for any legal actions initiated by the Contractor against AHIM regarding the provisions of the Contract if AHIM prevails in litigation. Legal action shall include administrative proceedings. Please note, this provision only contemplates scenarios in which AHIM prevails in litigation.

### **8.10.7 Attorney Fees**

The Contractor agrees to pay reasonable attorney fees incurred by AHIM in enforcing this agreement or otherwise reasonably related.

## **8.11 Status of the Contractor**

### **8.11.1 Independent Contractor**

Contractor's status under the Contract shall be that of an independent contractor and not that of an employee of AHIM. Nothing contained in the Contract shall be deemed or construed to create a partnership or joint venture between the parties, an employer-employee relationship or any other relationship between the parties that could result in any liability of AHIM for any indebtedness, liabilities, or obligations of the Contractor except as expressly provided in the Contract.

- A. **Supervision of Contractor:** In accordance with the Contractor's status as an independent contractor, AHIM shall not have the right to control the means or methods by which the Contractor performs the services, as set forth in the Contract. Notwithstanding the foregoing, AHIM shall have the right to control or direct the Contractor as to the result to be accomplished under the Contract and with respect to the services provided.
- B. **As an Independent Contractor:** The Contractor shall be solely responsible for all Federal, State and local payments, withholding, and filing requirements for payroll, income, self-employment, retirement, disability, unemployment taxes, assessments, or regulations. The Contractor shall be

ineligible for any vacation, sick leave, pension, bonus, insurance, or other benefit now or in the future established by AHIM for employees of AHIM. All applicable tax payments and withholdings, if any, with respect to services rendered under this Agreement are the sole responsibility of Contractor, which responsibility Contractor agrees to carry out as required by applicable law. Contractor shall indemnify and hold AHIM harmless from any and all loss or liability arising from Contractor's failure to make any appropriate income tax payments, self-employment tax payments or other payments required on behalf of the Contractor.

### **8.11.2 Employment Practices**

The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, gender, national origin, age, marital status, political affiliations, or disability. The Contractor must act affirmatively to ensure that employees, as well as applicants for employment, are treated without discrimination because of their race, color, religion, gender, national origin, age, marital status, political affiliation, or disability. Such action shall include, but is not limited to, the following: employment, promotion, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship.

The Contractor shall comply with the non-discrimination clause contained in Federal Executive Order 11246, as amended by Federal Executive Order 11375, relative to the Equal Employment Opportunity law created for all persons without regard to race, color, religion, sex, or national origin. Further, the Contractor shall comply with all rules and regulations, prescribed by the Secretary of Labor, as located in Title 41, Code of Federal Regulations, Chapter 60. The Contractor shall also comply with the Civil Rights Act of 1964 and related State laws and regulations, if any.

If AHIM finds that the Contractor is not in compliance with any of these requirements at any time during the term of the Contract, AHIM reserves the right to terminate, as its sole discretion, the Contract or take such other steps as it deems appropriate.

### **8.11.3 Conflict of Interest**

A bid shall not be considered for award if the price in the bid was not arrived at independently without collusion, consultation, communication, or agreement as to any matter relating to such prices with any other Bidder or with any competitor.

A bidder shall include a certified statement in the proposal certifying that the bid was arrived at without any conflict of interest, as described above. Should a conflict of interest be detected at any time during the term of the Contract, the Contract shall be null and void and the Bidder shall assume all costs of this project until such time that a new Bidder is selected.

## **8.12 Risk Management**

### **8.12.1 Indemnification**

The Contractor agrees to indemnify, defend, save, and hold harmless AHIM (specifically staff and Board members), their officers, agents, employees, representatives, assignees, and contractors from any and all claims, costs, liabilities, losses, actual damages and consequential damages caused by, losses accruing from or resulting from any and all Contractor's employees, agents, subcontractors, laborers, and any other person,

association, partnership, entity, or corporation furnishing or supplying work, services, materials, or supplies in connection with performance of the Contract, and from any and all claims, costs, liabilities, losses, actual damages and consequential damages accruing or resulting to any such person, association, partnership, entity, or corporation who may be injured, damaged, or suffer any loss by the Contractor in connection with the performance of the Contract. Indemnification from any and all claims, costs, liabilities, losses, actual damages and consequential damages pursuant to this subsection does not include any limitations on liability for actual damages as expressly stated in paragraph 8.12.3.

The Contractor agrees to indemnify, defend, save, and hold harmless AHIM, their officers, agents, employees, representatives, assignees, and other contractors against any and all liability, loss, damage, costs, or expenses that AHIM may sustain, incur, or be required to pay: 1) by reason of any person suffering personal injury, death, or property loss or damage of any kind either while participating with, or receiving services from, the Contractor under the Contract, or while on premises owned, leased, or operated by the Contractor or while being transported to or from said premises in any vehicle owned, operated, leased, chartered, or otherwise Contracted for or in the control of the Contractor or any officer, agent, or employee thereof; and/or 2) by reason of the Contractor or its employee, agent, or person within its scope of authority of the Contract causing injury to, or damage to the person or property of a person including, but not limited to, AHIM or the Contractor, their employees or agents, during any time when the Contractor or any officer, agent, employee thereof has undertaken or is furnishing the services called for under the Contract.

The Contractor agrees to indemnify, defend, save, and hold harmless AHIM, their officers, agents, employees, representatives, assignees, and other contractors against any and all liability, loss, damages, costs or expenses which AHIM or the State may incur, sustain or be required to pay by reason of the Contractor, its employees, agents or assigns: 1) failing to honor copyright, patent or licensing rights to software, programs, or technology of any kind in providing services to AHIM; and/or 2) breaching in any manner the confidentiality or privacy obligations required pursuant to federal and state law and regulations, including but not limited to HIPAA or ACA.

The Contractor agrees to indemnify, defend, save, and hold harmless AHIM, their officers, agents, employees, representatives, assignees, and other contractors from all claims, demands, liabilities, and suits of any nature whatsoever arising out or in connection to the performance of the Contract because of any breach of the Contract by the Contractor, its agents or employees, including, but not limited to, any occurrence of omission or commission or negligence of the Contractor, its agents, or its employees.

Indemnification from any and all claims, costs, liabilities, losses, actual damages and consequential damages under this paragraph is not subject to the limitation of liability set forth in paragraph 8.12.3, Limitation of Liability.

If AHIM reasonably determines: 1) a default by the Contractor is not so substantial as to require termination; 2) reasonable efforts to induce the Contractor to cure the default are unsuccessful; 3) and the default is capable of being cured by AHIM or by another resource without unduly interfering with the continued performance of the Contractor, then AHIM may provide or procure such services as are reasonably necessary to correct the default. If this is the case, the Contractor shall reimburse AHIM for the cost of those services. AHIM may deduct the cost of those services from the Contractor's monthly administrative invoices. The Contractor shall cooperate with AHIM or those procured resources in allowing access to facilities, equipment, data, or any other contractor resources to which access is required to correct the default. The Contractor shall remain liable for ensuring that all operational performance standards remain satisfied regardless of which subcontractor provides services to correct the default.

### **8.12.2 Insurance**

Contractor shall provide the Insurance described in *Appendix H*.

### **8.12.3 Limitation of Liability**

In recognition of the relative risks and benefits of the project to both the Contractor and AHIM, the risks have been allocated such that AHIM agrees, to the fullest extent permitted by law, to limit the liability of the Contractor to AHIM for any and all claims, losses, costs, actual or nominal damages of any nature whatsoever or claims expenses from any cause or causes, including attorneys' fees and costs and expert witness fees and costs, so that the total aggregate liability of the Contractor to AHIM shall not exceed One and one-half (1 ½) the total amount of the Contract term including all phases. It is intended that this limitation apply to any and all liability or cause of action in connection with the performance of the contract however alleged or arising, unless otherwise prohibited by law. Limitations on Liability expressly stated in this paragraph do not apply to cost of any losses expressly provided in paragraph Section 8.12.1, Indemnification. The limitation of liability expressly provided for in this paragraph does not apply to any and all claims, costs, liabilities, losses, actual damages and consequential damages referred to in paragraph 8.12.1, Indemnification.

### **8.13 Confidentiality of Information**

The Contractor shall comply with all obligations of privacy or confidentiality that may arise from any State and federal confidentiality and privacy laws. No information, documents or other material provided to or prepared by the Contractor deemed confidential by AHIM pursuant to State and federal privacy laws, shall be made available to any person or organization without the expressed written prior consent of AHIM. Any liability resulting from the wrongful disclosure, whether intentional or unintentional, of confidential information on the part of the Contractor shall rest with the Contractor. The Contractor must disclose to AHIM the confidentiality and privacy breach as soon as the disclosure has been made known to them. The Contractor must immediately mitigate the extent of any damages resulting from the breach.

### **8.14 Right of Inspection**

AHIM, CMS, the U.S. Department of Health and Human Services (DHHS), the General Accounting Office (GAO), the Comptroller General of the United States, the Office of the Inspector General (OIG), or their authorized representatives shall, during normal business hours, have the right to enter into the premises of a Bidder and/or all subcontractors and providers, or such other places where duties under the Contract are being performed, to inspect, monitor, or otherwise evaluate the work being performed. The Bidder must provide access and assistance as required by AHIM, and refusal by the Bidder to allow access to all such documents, papers, letters, electronic files, or any and all other materials will constitute a breach of any resulting contract. All inspections and evaluations shall be performed in such a manner as to not unduly delay the Contractor's work.

### **8.15 Contractor Compliance Issues**

The Contractor agrees that all work performed as part of the Contract will comply fully with administrative and other requirements established by Federal and State laws, regulations, and guidelines, and assumes responsibility for full compliance with all such laws, regulations, and guidelines, and agrees to fully reimburse AHIM for any loss of funds, resources, overpayments, duplicate payments, or incorrect payments resulting from noncompliance by the Contractor, its staff, or agents, as revealed in any audit.

### **8.15.1 Federal, State, and Local Taxes**

Unless otherwise provided herein, the Contract price shall include all applicable Federal, State, and local taxes.

The Contractor shall pay all taxes lawfully imposed upon it with respect to the Contract or any product delivered in accordance herewith. AHIM makes no representation whatsoever as to exemption from liability to any tax imposed by any Federal and State government entity on the Contractor.

### **8.15.2 License Requirements**

AHIM does not tolerate the possession or use of unlicensed copies of proprietary software. Contractor warrants that it has or shall obtain any license/permits that are required prior to and during the performance of work under the Contract. The Contractor shall be responsible for any penalties or fines imposed as a result of unlicensed or otherwise defectively titled software or other third-party intellectual property.

The Contractor, without exception, shall indemnify, defend and hold harmless AHIM and its agents, officers, attorneys, directors, and employees from liability of any nature or kind, including cost and expenses for or on account of any claim or allegation that any of the Materials infringe the intellectual property rights of any third party. Upon having received notice of a material infringement by the Contractor AHIM will provide prompt written notification of any alleged material infringement to any foreseeable individual(s), entity or entities.

Further, if such a claim is made or is pending, the Contractor shall procure for AHIM the right to continue use of, replace, or modify the implicated Material(s) to render it (them) non-infringing while retaining satisfactory functionality, as determined by AHIM. If none of the alternatives are reasonably available, the Contractor agrees to take back the Material(s) and refund the total amount AHIM has paid the Contractor under the Contract for preparation or use of such Material(s).

If the Contractor purports or proposes to use any third-party intellectual property in the performance of its duties under the Contract, it is mutually agreed and understood without exception that the proposed prices for Contract performance shall include all royalties or costs arising from the use of such design, device, or materials in any way involved in the work. This shall be without prejudice to AHIM's right to full intellectual property indemnification hereunder.

### **8.15.3 Records Retention and Destruction Requirements**

The Contractor shall maintain detailed records evidencing all expenses incurred pursuant to the Contract, the provision of services under the Contract, and complaints, for the purpose of audit and evaluation by AHIM and other Federal or State personnel. All records, including training records, pertaining to the Contract must be readily retrievable within three (3) workdays for review at the request of AHIM and its authorized representatives. All records shall be maintained and available for review by authorized federal and State personnel during the entire term of the Contract and for a period of ten (10) years thereafter, unless an audit is in progress or there is pending litigation. When an auditor determines pending litigation exists at the end of the ten (10) year period, records shall be retained until all issues are finally resolved.

Upon expiration of the ten (10) year record retention period, the Contractor must destroy or remove the information from its current location so it can no longer be accessed. Systematic destruction contemplates

both paper shredding and electronic file destruction of any media or technological format, i.e., media sanitizing. Prior to commencing work under the contract, the Contractor must provide AHIM with a written, mandatory document destruction policy, including guidelines for any and all electronic files formats that were utilized during the term of the Contract, which complies with all applicable Federal and State laws. If an official investigation is underway or even suspected upon the expiration, the Contractor will be required to stop any document purging in order to avoid criminal obstruction.

#### **8.15.4 HIPAA and HITECH Compliance**

The Contractor must ensure that all of its work complies with Federal and State HIPAA laws, HITECH, and privacy and security rules, as applicable.

#### **8.15.5 Bribes, Gratuities, and Kickbacks Prohibited**

The receipt or solicitation of bribes, gratuities, and kickbacks is strictly prohibited.

No elected or appointed officer or other employee of the federal government, the State of Arkansas or AHIM shall benefit financially or materially from the Contract. No individual employed by AHIM or the State of Arkansas shall be permitted any share or part of the Contract or any benefit that might arise therefrom.

#### **8.15.6 Small and Minority Businesses**

Because AHIM encourages the employment of small business enterprises, to the fullest extent practical, the Contractor shall enter into contracts with Arkansas businesses; employ citizens of Arkansas to staff; and provide support and other services for AHIM.

Therefore, the Contractor shall report, separately, the involvement in the Contract of small businesses and businesses owned by minorities and women. Such information shall be reported on an invoice annually on the Contract anniversary and shall specify the actual dollars Contracted to-date with such businesses, actual dollars expended to date with such businesses, and the total dollars planned to be contracted for with such businesses on the Contract.

#### **8.15.7 Suspension and Debarment**

At the time of entering into the Contract, the Contractor will certify that it is not suspended or debarred under federal law and regulations or any other State's laws and regulations. The Contractor shall notify AHIM of any suspension or disbarment proceedings taken against it during the Contract term.

#### **8.15.8 Litigation**

During the course of the Contract term, the contractor will notify AHIM within three (3) business days of receipt of any served complaint or receipt of any cease and desist correspondence.



## 8.16 Project Work Schedule

During the project initiation, Contractor and AHIM will develop a mutually agreed upon work schedule including the division of responsibility between AHIM's staff and PMO staff. It is understood by the parties that the project work schedule must be in place prior to any work being performed. Once this mutually agreed upon work schedule, identifying specific time frames and deliverable target dates for this project, is developed, it will be incorporated into and made a part of the Contract. The dates in the work schedule will define the agreed upon period of performance. The parties acknowledge that the work schedule will evolve and change from time to time upon the mutual written consent of both parties. The parties agree that the deliverables and schedule set forth in the latest version of the work schedule will take precedence over any prior plans.

## 8.17 Warranty

Contractor represents and warrants that all work performed hereunder, including but not limited to Exchange technology solution services, consulting, conversion, training, and technical support shall be performed by competent personnel; shall be of professional quality consistent with generally accepted industry standards as outlined in *Section 4.5 of the RFP: IV&V Standards and Quality*, and shall comply in all respects with the requirements of this RFP. For any breach of this warranty, the Contractor shall, for a period of ninety (90) days from the performance of service, perform the services again at no cost to AHIM, or if the Contractor is unable to perform the services as warranted, the Contractor shall reimburse AHIM the fees paid to the Contractor for the unsatisfactory services.

### 8.17.1 Warranty of Fiscal Integrity

The Contractor warrants that it is of sufficient financial solvency to assure AHIM of its ability to perform the requirements of the Contract. The Contractor shall provide sufficient financial data and information to prove its financial solvency pursuant to *Section 5: Technical Proposal Requirements* of this RFP.

### 8.17.2 Warranty of Solution

Prior to the commencement of any work effort, the Contractor shall provide a warranty on any implemented solutions. The warranty shall encompass correction of defective software, functionality, and procedures that were considered to be within the scope of this procurement at no additional cost to AHIM. The warranty period will begin upon AHIM's Final Acceptance of the implemented solution for a period of three (3) years.

## 8.18 Federal Contract Clauses

The required *Federal Contract Clauses for Expenditure of Federal Grant Funds* is attached (*Appendix I*) and is incorporated by reference into the Contract. To the extent the terms in the body of the Contract directly conflict with any provision of the Federal Contract Clauses, the body of the Contract shall govern.