



**State of Oklahoma
Office of State Finance
Information Services Division**

Solicitation

1. Solicitation#: 516000048

2. Solicitation Issue Date: 01/18/2012

3. Brief Description of Requirement:

Contract for providing a comprehensive Provider Network Contracting and Credentialing System in accordance with this Request for Proposal (RFP)

See Schedule of Events in Section E.4. Question regarding this RFP, Write to gai.hunter@osf.ok.gov no later than January 27, 2012 @ 5:00pm cst.

Note to Offerors: To ensure the integrity of the evaluation process, should offerors request responses be opened at a time of RFP due date and time, the State will only read names of offerors in response to this RFP.

4. Response Due Date: 02/21/2012

Time: 3:00PM Central Time

5. Issued By and Return Sealed Bid To:

Office of State Finance
3115 N. Lincoln Blvd.
Oklahoma City, OK 73105

6. Contracting Officer:

Name: Gai Hunter

Phone: (405) 521-6480

Email: gai.hunter@osf.ok.gov



**State of Oklahoma
Office of State Finance
Information Services Division**

Responding Bidder Information

*"Certification for Competitive Bid and Contract" **MUST** be submitted along with the response to the Solicitation.*

1. **RE: Solicitation #** 5160000048

2. Bidder General Information:

FEI / SSN : _____ VEN ID: _____
Company Name: _____

3. Bidder Contact Information:

Address: _____
City: _____ State: _____ Zip Code: _____
Contact Name: _____
Contact Title: _____
Phone #: _____ FAX#: _____
Email: _____ Website: _____

4. Oklahoma Sales Tax Permit¹:

- YES – Permit #: _____
- NO – Exempt pursuant to Oklahoma Laws or Rules

5. Registration with the Oklahoma Secretary of State:

- YES - Filing Number: _____
- NO - Prior to the contract award, the successful bidder will be required to register with the Secretary of State or must attach a signed statement that provides specific details supporting the exemption the supplier is claiming (<http://www.sos.ok.gov> or 405-521-3911).

6. Workers' Compensation Insurance Coverage:

Bidder is required to provide with the bid a certificate of insurance showing proof of compliance with the Oklahoma Workers' Compensation Act.

- YES – include a certificate of insurance with the bid
- NO - attach a signed statement that provides specific details supporting the exemption you are claiming from the Workers' Compensation Act (Note: Pursuant to Attorney General Opinion #07-8, the exemption from 85 O.S. 2001, § 2.6 applies only to employers who are natural persons, such as sole proprietors, and does not apply to employers who are entities created by law, including but not limited to corporations, partnerships and limited liability companies.)²

Authorized Signature

Date

¹ For frequently asked questions concerning Oklahoma Sales Tax Permit, see <http://www.tax.ok.gov/faq/faqbussales.html>

² For frequently asked questions concerning workers' compensation insurance, see http://www.ok.gov/oid/Consumers/Workers'_Compensation_Information.html

Printed Name

Title



**State of Oklahoma
Office of State Finance
Information Services Division**

**Certification for Competitive
Bid and/or Contract
(Non-Collusion Certification)**

NOTE: A certification shall be included with any competitive bid and/or contract exceeding \$5,000.00 submitted to the State for goods or services.

Solicitation or Purchase Order #: 5160000048

Supplier Legal Name: _____

SECTION I [74 O.S. § 85.22]:

A. For purposes of competitive bid,

1. I am the duly authorized agent of the above named bidder submitting the competitive bid herewith, for the purpose of certifying the facts pertaining to the existence of collusion among bidders and between bidders and state officials or employees, as well as facts pertaining to the giving or offering of things of value to government personnel in return for special consideration in the letting of any contract pursuant to said bid;
2. I am fully aware of the facts and circumstances surrounding the making of the bid to which this statement is attached and have been personally and directly involved in the proceedings leading to the submission of such bid; and
3. Neither the bidder nor anyone subject to the bidder's direction or control has been a party:
 - a. to any collusion among bidders in restraint of freedom of competition by agreement to bid at a fixed price or to refrain from bidding,
 - b. to any collusion with any state official or employee as to quantity, quality or price in the prospective contract, or as to any other terms of such prospective contract, nor
 - c. in any discussions between bidders and any state official concerning exchange of money or other thing of value for special consideration in the letting of a contract.

B. I certify, if awarded the contract, whether competitively bid or not, neither the contractor nor anyone subject to the contractor's direction or control has paid, given or donated or agreed to pay, give or donate to any officer or employee of the State of Oklahoma any money or other thing of value, either directly or indirectly, in procuring this contract herein.

SECTION II [74 O.S. § 85.42]:

For the purpose of a contract for services, the supplier also certifies that no person who has been involved in any manner in the development of this contract while employed by the State of Oklahoma shall be employed by the supplier to fulfill any of the services provided for under said contract.

The undersigned, duly authorized agent for the above named supplier, by signing below acknowledges this certification statement is executed for the purposes of:

the competitive bid attached herewith and contract, if awarded to said supplier;

OR

the contract attached herewith, which was not competitively bid and awarded by the agency pursuant to applicable Oklahoma statutes.

Supplier Authorized Signature

Certified This Date

Printed Name

Title

Phone Number

Email

Fax Number



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A. GENERAL PROVISIONS

The following provisions shall apply where applicable to the solicitation.

A.1. Definitions

As used herein, the following terms shall have the following meaning unless the context clearly indicates otherwise:

- A.1.1.** "Acquisition" means items, products, materials, supplies, services and equipment a State agency acquires by purchase, lease purchase, lease with option to purchase, or rental pursuant to the Oklahoma Central Purchasing Act;
- A.1.2.** "Addendum" means a written modification to a contract;
- A.1.3.** "Alteration" means a modification an offeror makes to a solicitation response prior to the response due date;
- A.1.4.** "Alternate or alternative offer" means an offer, which contains an intentional substantive variation to a basic provision, specification, term or condition of the solicitation;
- A.1.5.** "Amendment" means a written change, addition, correction, or revision to a solicitation made by the state agency responsible for making the acquisition;
- A.1.6.** "Bid" means an offer in the form of a bid, proposal or quote an offeror submits in response to a solicitation;
- A.1.7.** "Bidder" means an individual or business entity that submits a bid or proposal in response to an invitation to bid or a request for proposal. When used in this Chapter, bidder is synonymous with a "offeror", "vendor", or "offeror" responding to a solicitation;
- A.1.8.** "Business Entity" means any individual, business, partnership, joint venture, corporation, S-corporation, limited liability corporation, limited liability partnership, limited liability limited partnership, sole proprietorship, joint stock company, consortium, or other legal entity recognized by statute;
- A.1.9.** "COTS" means Commercial off the Shelf;
- A.1.10.** "Contract" means the final agreement under which the services and/or products shall be governed;
- A.1.11.** "Contractor" means the Business Entity with whom the State enters into this contract. It is synonymous with successful bidder, successful offeror, successful offeror, successful vendor or other similar term;
- A.1.12.** "Closing Date" is the date the RFP closes, also proposal opening date, and response due date;
- A.1.13.** "Government Entities" means State Agencies, Boards, Commissions, Authorities, Oklahoma Counties, Cities, Schools, Hospitals, Regents of Higher Education, Colleges, Universities, Municipalities, or political subdivisions;
- A.1.14.** "Offer" shall be synonymous with "bid", "proposal", "quote" or other similar term;
- A.1.15.** "Offeror" shall be synonymous with "vendor", "bidder", "offeror" or other similar term;
- A.1.16.** "Procuring Agency" means the State of Oklahoma Agency initiating the procurement;
- A.1.17.** "Request for Information or RFI" means a non-binding procurement practice used to obtain information, comments, and feedback from interested parties or potential offerors prior to issuing a solicitation;
- A.1.18.** "State" means the government of the State of Oklahoma, its employees and authorized representatives, including without limitation any department, agency, or other unit of the government of the State of Oklahoma. References to "State" in this document refer to the Office of State Finance;
- A.1.19.** "State Agency" includes any office, officer, bureau, board, counsel, court, commission, institution, unit, division, body, or house of the executive or judicial branches of the State government, whether elected or appointed, excluding only political subdivisions of the State;
- A.1.20.** "State CIO" is the State Chief Information Officer, as used herein the CIO has the same authority as the State Purchasing Director for all IT and Telecommunications purchasing and are used interchangeably;
- A.1.21.** "Solicitation" means a request or invitation by the State Purchasing Director or a State agency for an offeror to submit a priced offer to sell acquisitions to the State. A solicitation may be an invitation to bid, request for proposal, or a request for quotation.

A.2. Offer Submission

- A.2.1.** Submitted offers shall be in strict conformity with the instructions to offeror, and shall be submitted with a completed "Responding Bidder Information" DCS-FORM-CP-076, and any other forms completed as required by the solicitation.

- A.2.2.** Offers shall be submitted to the State Agency identified in the front page of this solicitation, in a single envelope, package, or container and shall be sealed. The name and address of the offeror shall be inserted in the upper left corner of the single envelope, package, or container. SOLICITATION NUMBER AND SOLICITATION RESPONSE DUE DATE AND TIME MUST APPEAR ON THE FACE OF THE SINGLE ENVELOPE, PACKAGE, OR CONTAINER.
- A.2.3.** The required certification statement, "Certification for Competitive Bid and/or Contract (Non-Collusion Certification)", DCS-FORM-CP-004, must be made out in the name of the offeror and must be properly executed by an authorized person, with full knowledge and acceptance of all its provisions.
- A.2.4.** All offers shall be legibly written or typed. Any corrections to offers shall be initialed. Pencil bids and pencil corrections shall NOT be accepted and shall be rejected as non-responsive.
- A.2.5.** All offers submitted shall be subject to the Oklahoma Central Purchasing Act, the Central Purchasing Rules, the Information Services Act and other statutory regulations as applicable, these General Provisions, any Special Provisions, solicitation specifications, required certification statement, and all other terms and conditions listed or attached herein, all of which are made part of this solicitation.
- A.2.6.** By submitting a proposal, offeror agrees not to make any claims for damages or have any rights to damages, because of any misunderstanding or misrepresentation of the specifications or because of any misinformation or lack of information.
- A.2.7.** If an offeror fails to notify the State of an error, ambiguity, conflict, discrepancy, omission or other error in the SOLICITATION, known to the offeror, or an error that reasonably should have been known by the offeror, the offeror shall submit a proposal at its own risk; and if awarded the contract, the offeror shall not be entitled to additional compensation, relief, or time, by reason of the error or its later correction. If an offeror takes exception to any requirement or specification contained in the SOLICITATION, these exceptions must be clearly and prominently stated in their response.

A.3. Solicitation Amendments

- A.3.1.** If an "Amendment of Solicitation", DCS-FORM-CP-011 (or other format as provided), is issued, then the offeror shall acknowledge receipt of any/all amendment(s) to solicitations by signing and returning the solicitation amendment(s). Amendment acknowledgement(s) may be submitted with the offer or may be forwarded separately. If forwarded separately, amendment acknowledgement(s) must contain the solicitation number and response due date and time on the front of the envelope. The State must receive the amendment acknowledgement(s) by the response due date and time specified for receipt of bids for the offer to be deemed responsive. Failure to acknowledge solicitation amendments may be grounds for rejection.
- A.3.2.** No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in the solicitation. All amendments to the solicitation shall be made in writing by the State.
- A.3.3.** It is the offeror's responsibility to check the State's website frequently for any possible amendments that may be issued. The State is not responsible for the offeror's failure to download any amendment documents required to complete a solicitation.

A.4. Offer Change

If the offeror needs to change an offer prior to the solicitation response due date, a new offer shall be submitted to the State with the following statement "This offer supersedes the offer previously submitted" in a single envelope, package, or container and shall be sealed. The name and address of the offeror shall be inserted in the upper left corner of the single envelope, package, or container. SOLICITATION NUMBER AND SOLICITATION RESPONSE DUE DATE AND TIME MUST APPEAR ON THE FACE OF THE SINGLE ENVELOPE, PACKAGE, OR CONTAINER.

A.5. Certification Regarding Debarment, Suspension, And Other Responsibility Matters

By submitting an offer to this solicitation:

- A.5.1.** The prospective primary participant and any subcontractor certifies to the best of their knowledge and belief, that they and their principals or participants:
 - A.5.1.1.** Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal, State of Oklahoma or local department or agency;
 - A.5.1.2.** Have not within a three-year period preceding this solicitation been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) contract; or for violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- A.5.1.3.** Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph A.5.1.2. of this certification; and
- A.5.1.4.** Have not within a three-year period preceding this solicitation had one or more public (Federal, State or local) contracts terminated for cause or default.
- A.5.2.** Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to its offer.

A.6. Offer Public Opening

Sealed offers MAY BE OPENED UPON PUBLIC REQUEST, by the requesting agency identified in the front page of this solicitation, at the time and date specified in the solicitation as Response Due Date and Time.

A.7. Offers Subject To Public Disclosure

Unless otherwise specified in the Oklahoma Open Records Act, Central Purchasing Act, or other applicable law, documents and information an offeror submits as part of or in connection with an offer are public records and subject to disclosure. Offerors claiming any portion of their offer as proprietary or confidential must specifically identify what documents or portions of documents they consider confidential and identify applicable law supporting their claim of confidentiality. The State Chief Information Officer (CIO) shall make the final decision as to whether the documentation or information is confidential consistent with 74 O.S. §85.10 and established policies.

A.8. Late Offer

Offers received by the State after the response due date and time shall be deemed non-responsive and shall NOT be considered for any resultant award.

A.9. Legal Contract

- A.9.1.** Submitted offers are rendered as a legal offer and when accepted by the State, shall constitute a contract.
- A.9.2.** The contract resulting from this solicitation shall consist of the following documents in order of preference: State of Oklahoma Statutes, contract award documents, including but not limited to the Purchase Order, Contract Modifications, required certification statement, and change orders; the solicitation including any amendments; and the successful offer to the extent that the offer does not conflict with the requirements of the contract award documents or solicitation or applicable law. In the event there is a conflict between any of the preceding documents, the contract award documents prevail over the solicitation, and both the contract award documents and the solicitation shall prevail over the successful offer.
- A.9.3.** Any contract(s) awarded pursuant to the solicitation shall be legibly written or typed.

A.10. Pricing

- A.10.1.** Offers shall remain firm for a minimum of one-twenty (120) days from the solicitation closing date.
- A.10.2.** Offerors guarantee unit prices to be correct.
- A.10.3.** Is consistent with 74 O.S. §85.40 and all established policies, ALL travel expenses to be incurred by the contractor in performance of the contract shall be included in the total bid price/contract amount.
- A.10.4.** All costs incurred by the offerors for proposal preparation and participation in this competitive procurement shall be the sole responsibility of the offerors. The State of Oklahoma shall not reimburse any offeror for any such costs.

A.11. Manufacturers' Name And Approved Equivalents

Unless otherwise specified in the solicitation, manufacturers' names, brand names, information, and/or catalog numbers listed in a specification are for information and not intended to limit competition. Offeror may offer any brand for which they are an authorized representative, which meets or exceeds the specification for any item(s). However, if offers are based on equivalent products, indicate on the offer form the manufacturer's name and number. Offeror shall submit sketches, descriptive literature, and/or complete specifications with their offer. Reference to literature submitted with a previous offer shall not satisfy this provision. The offeror shall also explain in detail the reason(s) why the proposed equivalent will meet the specifications and not be considered an exception thereto. Offers that do not comply with these requirements are subject to rejection.

A.12. Clarification of Solicitation

Clarification pertaining to the contents of this solicitation shall be directed in writing to the Contracting Officer specified in the solicitation.

A.13. Rejection of Offer

The State reserves the right to reject any offers that do not comply with the requirements and specifications of the solicitation. An offer may be rejected when the offeror imposes terms or conditions that would modify requirements of the solicitation or limit the offeror's liability to the State.

Attempts to impose unacceptable conditions on the State, or impose alternative terms not in the best interest of the State shall not be tolerated. Continued attempts to impose unacceptable conditions or terms on the State shall result in a determination of non-responsiveness of your offer due to the lack of compliance with the terms and conditions of negotiation or the solicitation.

A.14. Award of Contract

- A.14.1.** The State may award the contract to more than one offeror by awarding the contract(s) by item or groups of items, or may award the contract on an ALL OR NONE basis, whichever is deemed by the State to be in the best interest of the State of Oklahoma.
- A.14.2.** Contract awards shall be made to the lowest and best offer(s) unless the solicitation specifies that best value criteria is being used.
- A.14.3.** In order to receive an award or payments from the State of Oklahoma, vendor must be registered. The vendor registration process can be completed electronically through the DCS website at the following link: <https://www.ok.gov/dcs/vendors/index.php>.
- A.14.4.** It is the preference of the State to award to a single vendor. However, the State reserves the right to award to multiple vendors when it has been determined to be in the best interest of the State.

A.15. Contract Modification

- A.15.1.** The contract issued as a result of this solicitation is under the authority of the State personnel signing the Contract. The contract may be modified only through a written Contract Modification, signed by the State.
- A.15.2.** Any change to the contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the Office of State Finance in writing, or made unilaterally by the contractor, is a breach of the contract. Unless otherwise specified by applicable law or rules, such changes, including unauthorized written Contract Modifications, shall be void and without effect, and the contractor shall not be entitled to any claim under a contract based on those changes. No oral statement of any person shall modify or otherwise affect the terms, conditions, or specifications stated in the resultant contract.

A.16. Delivery, Inspection and Acceptance

- A.16.1.** Unless otherwise specified in the solicitation or awarding documents, all deliveries shall be F.O.B. Destination. The contractor shall prepay all packaging, handling, shipping and delivery charges and firm prices quoted in the offer shall include all such charges. All products and/or services to be delivered pursuant to the contract shall be subject to final inspection and acceptance by the State at destination. "Destination" shall mean delivered to the receiving dock or other point specified in the purchase order. The State assumes no responsibility for goods until accepted by the State at the receiving point in good condition. Title and risk of loss or damage to all items shall be the responsibility of the contractor until accepted by the receiving agency. The contractor shall be responsible for filing, processing, and collecting any and all damage claims accruing prior to acceptance.
- A.16.2.** Contractor(s) shall be required to deliver products and services as offered on or before the required date. Deviations, substitutions, or changes in products and services shall not be made unless expressly authorized in writing by the State.

A.17. Invoicing and Payment

- A.17.1.** Contractor shall be paid upon submission of an accurate and proper invoice(s), as defined by Title 62 O.S. §34.73, to the agency, at the prices stipulated on the contract. Failure to provide accurate invoices may result in delay of processing invoices for payment. Consistent with to 74 O.S. §85.44B and established policies, invoices shall be paid in arrears after products have been delivered or services provided. Invoices shall contain the purchase order number, a description of the services provided, and the dates of those services.
- A.17.2.** Interest on late payments made by the State of Oklahoma is governed by Title 62 O.S. §34.71 and 62 O.S. §34.72.

A.18. Tax Exemption

State agency acquisitions are exempt from sales taxes and federal excise taxes. Offerors shall not include these taxes in price quotes.

A.19. Audit and Records Clause

- A.19.1.** As used in this clause, "records" includes books, documents, accounting procedures and practices, and other data, regardless of type and regardless of whether such items are in written form, in the form of computer data, or in any other form. In accepting any contract with the State, the successful offeror(s) agree any pertinent State or Federal agency shall have the right to examine and audit all records relevant to execution and performance of the contract.
- A.19.2.** The successful offeror(s) is required to retain records relative to the contract for the duration of the contract and for a period of seven (7) years following completion and/or termination of the contract. If an audit, litigation, or other action involving such records is started before the end of the seven-year period, the records are required to be maintained for two (2) years from the date that all issues arising out of the action are resolved, or until the end of the seven (7) year retention period, whichever is later.

A.20. Non-Appropriation Clause

The terms of any contract and any Purchase Order issued for multiple years under the contract are contingent upon sufficient appropriations being made by the Legislature or other appropriate government entity. Notwithstanding any language to the contrary in the solicitation, purchase order, or any other contract document, the procuring agency may terminate its obligations under the contract if sufficient appropriations are not made by the Legislature or other appropriate governing entity to pay amounts due for multiple year agreements. The Requesting (procuring) Agency's decisions as to whether sufficient appropriations are available shall be accepted by the contractor and shall be final and binding.

A.21. Choice of Law

Any claims, disputes, or litigation relating to the solicitation, or the execution, interpretation, performance, or enforcement of the contract shall be governed by the laws of the State of Oklahoma.

A.22. Choice of Venue

Venue for any action, claim, dispute, or litigation relating in any way to the contract shall be in Oklahoma County, Oklahoma.

A.23. Termination for Cause

- A.23.1.** The contractor may terminate the contract for default or other just cause with both a 30-day written request and upon written approval from the State. The State may terminate the contract for default or any other just cause upon a 30-day written notification to the contractor.
- A.23.2.** The State may terminate the contract immediately, without a 30-day written notice to the contractor, when violations are found, when conditions preclude the 30-day notice, or when the State determines that, an administrative error occurred prior to contract performance.
- A.23.3.** If the contract is terminated, the State shall be liable only for payment for products and/or services delivered and accepted.

A.24. Termination for Convenience

- A.24.1.** The State may terminate the contract, in whole or in part, for convenience if the State Purchasing Director or the State CIO (Chief Information Officer) determines that termination is in the State's best interest. The State shall terminate the contract by delivering to the contractor a Notice of Termination for Convenience specifying the terms and effective date of contract termination. The contract termination date shall be a minimum of 60 days from the date the Notice of Termination for Convenience is issued by the State.
- A.24.2.** If the contract is terminated, the State shall be liable only for products and/or services delivered and accepted, and for costs and expenses (exclusive of profit) reasonably incurred prior to the date upon which the Notice of Termination for Convenience was received by the contractor.

A.25. Insurance

The contractor shall maintain and provide proof to the State of the following insurance during the term of this agreement:

- a) Worker's Compensation and Employer's Liability Insurance in accordance with applicable law.
- b) Commercial General Liability Insurance on a per occurrence basis with limits of liability not less than \$1,000,000 per occurrence and aggregate combined single limit, Personal Injury, Bodily Injury and Property Damage.
- c) Automobile Liability Insurance with limits of liability of not less than \$1,000,000 per occurrence combined single limit including Bodily Injury and Property Damage. Coverage shall include all owned vehicles, all non-owned vehicles, and all hired vehicles.
- d) Professional Errors and Omissions Insurance shall include Consultant's Computer Errors and Omissions Coverage with limits not less than \$1,000,000 per claim and in the aggregate.

A.26. Employment Relationship

The contract does not create an employment relationship. Individuals performing services required by this solicitation or a resulting contract are not employees of the State of Oklahoma or the procuring agency. The contractor's employees shall not be considered employees of the State of Oklahoma nor of the procuring agency for any purpose, and accordingly shall not be eligible for rights or benefits accruing to State employees.

A.27. Compliance With The Oklahoma Taxpayer And Citizen Protection Act Of 2007

By submitting an offer for services, the offeror certifies that they, and any proposed subcontractors, are in compliance with 25 O.S. §1313 and participate in the Status Verification System. The Status Verification System is defined in 25 O.S. §1312 and includes but is not limited to the free Employment Verification Program (E-Verify) available at www.dhs.gov/E-Verify.

A.28. Compliance With Applicable Laws

The products and services supplied under the contract shall comply with all applicable Federal, State, and local laws and the contractor shall maintain all applicable licenses and permit requirements.

A.29. Gratuities

The right of the contractor to perform under this contract may be terminated, by written notice, if the Contracting Officer determines that the contractor, or its agent or another representative offered or gave a gratuity (e.g., an entertainment or gift) to any State employee directly involved in this solicitation. Furthermore, a contractor convicted of such violation may also be suspended or debarred.

A.30. Preclusion From Resulting Contracts

Any contractor that has provided any consulting services or technical assistance that resulted in any specifications or concepts in this solicitation, either directly or indirectly, is precluded from the award of such contract and from securing a sub-contractor that has provided such services.

A.31. Mutual Responsibilities

The State and contractor agree that under this Agreement:

- A.31.1.** Neither party grants the other the right to use any trademarks, trade names, or other designations in any promotion or publication without express written consent by the other party.
- A.31.2.** This is a non-exclusive agreement and each party is free to enter into similar agreements with others.
- A.31.3.** Each party grants the other only the licenses and rights specified. No other licenses or rights (including licenses or rights under patents) are granted.
- A.31.4.** Where approval, acceptance, consent, or similar action by either party is required under this agreement, such action shall not be unreasonably delayed or withheld.

A.32. Background Checks and Verifications

At the sole discretion of the State, the contractor may be subject to user background checks. The contractor must submit the required background check information to the State in a timely manner. The State may not allow any access prior to completion of background verification.

A.33. Confidentiality

- A.33.1.** Pursuant to Title 62 O. S. §34.12. (C.). "The Office of State Finance and all agencies of the executive branch of the State shall not be required to disclose, directly or indirectly, any information of a State agency which is declared to be confidential or privileged by State or Federal statute or the disclosure of which is restricted by agreement with the United States or one of its agencies, nor disclose information technology system details that may permit the access to confidential information or any information affecting personal security, personal identity, or physical security of State assets."

If required for the performance of this contract, the above information may be given to the contractor after the contract is awarded in accordance with the requirements of this section.

- A.33.2.** The contractor shall maintain strict physical security of all data and records entrusted to it. If certain functions are sub-contracted in accordance with the terms expressed herein, the contractor shall insure that the sub-contractor maintains strict physical security of all data and records transmitted to the sub-contractor.
- A.33.3.** The contractor shall never turn data or records over to a third party unless specifically authorized to do so by the State's CIO, the State Agency Director, or in compliance with a valid court order.

A.34. Unauthorized Obligations

At no time during the performance of this contract shall the contractor have the authority to obligate the State or the agency for payment of any goods or services over and above the awarded contract. If the need arises for goods or services over and above the contract for this project, contractor shall cease the project and contact agency for approval prior to proceeding.

A.35. Electronic and Information Technology Accessibility

Pursuant to Title 74, Section 85.7d., OAC 580:16-7-56, and established policies, electronic and information technology procurements, solicitations, agreements, and contracts shall comply with applicable Oklahoma Information Technology Accessibility Standards issued by the Oklahoma Office of State Finance.

EIT Standards may be found at http://www.ok.gov/DCS/Central_Purchasing/VPAT_&_Accessibility.html and http://www.ok.gov/OSF/documents/isd_itas.doc.

1) For Information Technology or Communications Products, Systems and Applications not requiring development and/or customization. The contractor shall provide a description of conformance with the applicable Oklahoma Information Technology Accessibility Standards for the proposed product, system, or application by means of either a Voluntary Product Accessibility Template (VPAT) or other comparable document, upon request.

The contractor shall indemnify and hold harmless the State of Oklahoma and any Oklahoma Government entity purchasing the products, systems, or applications not requiring development and/or customized by the contractor from any claim arising out of the contractor's failure to comply with applicable Oklahoma Information Technology Accessibility Standards subsequent to providing certification of compliance to such Standards.

2) For Information Technology or Communications Products, Systems or Applications requiring development and/or customization. The contractor shall provide a description of conformance with the applicable Oklahoma Information Technology Accessibility Standards for the proposed product, system, or application developed and/or customized by means of either a Voluntary Product Accessibility Template (VPAT) or other comparable document, upon request. Additional requirements and documentation may be required and compliance shall be necessary on the contractor's part. Such requirements shall be stated in documents such as State Bids, Request for Proposals, Contracts, Agreements, Purchase Orders, and Amendments.

The contractor shall indemnify and hold harmless the State of Oklahoma and any Oklahoma Government entity purchasing the products, systems, or applications from the contractor, from any claim arising out of the contractor's failure to comply with applicable Oklahoma Information Technology Accessibility Standards subsequent to providing certification of compliance to such Standards. However, the contractor shall no longer have an obligation to indemnify the State for liability resulting from products, systems or applications developed and/or customized that are not in compliance with applicable Oklahoma Information Technology Accessibility Standards ("Standards") after the State has tested and confirmed that the product, system or application meets the accessibility requirements in the Standards.

A.36. Patents and Copyrights

If in the performance of this contract, contractor uses any Product covered by a third party's patent or copyright, it is mutually agreed and understood without exception that the contractor's contract prices shall include all royalties or costs charged by the third party arising from the use of such patent or copyright. If such royalties or costs are not covered in the contractor contract price, contractor's obligations are as outlined immediately below.

A.36.1. If a third party claims that a product the contractor provides to an Procuring Agency infringes that party's patent or copyright, the contractor shall defend the State against that claim at contractor's expense and pay all costs, damages, and attorney's fees that a court finally awards, provided the State: (i) promptly notifies the contractor in writing of the claim; and (ii) to the extent authorized by the Attorney General of the State Oklahoma, allows the contractor to control, and cooperates with the contractor in, the defense and any related settlement negotiations; provided however, that if the Attorney General of the State of Oklahoma does not authorize the contractor to have sole control of the defense and any related settlement negotiations, then to the extent allowed by Oklahoma law, contractor shall have no obligation to indemnify the State of Oklahoma under this Section.

If such a claim is made or appears likely to be made, the State agrees to permit contractor to enable the State to continue to use the Product, or to modify it, or replace it with one that is at least functionally equivalent. If the contractor determines that none of these alternatives is reasonably available, the State agrees to return the product to the contractor upon written request. Contractor shall then give the State a refund equal to the net book value for the product, provided the State has followed applicable accounting principles. Net book value is the original cost of the product amortized over three (3) years using the straight-line accounting method of depreciation.

A.36.2. Contractor has no obligation regarding any claim based on any of the following: (i) anything the State provides which is incorporated into a product; (ii) modification of a product by any party other than contractor, contractor's representative or contractor's sub-contractor, or any State employee acting at the contractor's direction, or a program's use in other than its Specified Operating Environment; (iii) the combination, operation, or use of a product with other products not provided by contractor as a system, or the combination, operation or use of a product with any product, data, or apparatus that contractor did

not provide; or (iv) infringement by a non-contractor product alone, as opposed to its combination with products contractor provides to the State as a system.

A.37. Federal Terms and Conditions

The following terms apply if federal monies are used to fund this solicitation:

A.37.1. Equal Opportunity and Discrimination

The contractor certifies they are an Equal Opportunity Employer, a provider of services and/or assistance, and is in compliance with the 1964 Civil Rights Act, Title IX of the Education Amendments of 1972, Section 504 of the Rehabilitation Act of 1973, as amended and Executive Orders 11246 and 11375. The provider assures compliance with the Americans with Disabilities Act of 1990 (Public Law 101-336), all amendments to, and all requirements imposed by the regulations issued pursuant to this act.

A.37.2. Lobbying

The contractor certifies compliance with the Anti-Lobbying law, Section 1352, Title 31 of the U.S. Code, and implemented at 45 CFR Part 93, for persons entering into a grant or cooperative agreement over \$100,000.00 as defined at 45 CFR 93, Section 93.105 and 93.110.

A.37.3. Drug-Free Workplace

The contractor certifies compliance in providing or continuing to provide a drug-free workplace in accordance with the Drug-Free Workplace Act of 1988, and implemented at 45 CFR part 76, Subpart F, for grantees, as defined at 45 CFR Part 76, Sections 76.605 and 76.610.

A.37.4. Environmental Protection

If the payments pursuant to the contract are expected to exceed \$100,000.00, then the contractor must comply with all applicable Federal Laws such as Section 306 of the Clean Air Act (42 U.S.C. 1857 (L)), Section 508 of the Clean Water Act (33 U.S.C. 1638), Executive Order 11738, and Environmental Protection Agency Regulations (40 C.F.R Part 15), which prohibit the use under nonexempt Federal contract, grant or loans of facilities included on the EPA List of Violating Facilities.

A.38. Assignment

Contractor's obligations under this contract may not be assigned or transferred to any other person, firm, or corporation without the prior written consent of the State.

A.39. Severability

If any provision for this contract shall be held to be invalid or unenforceable for any reason, the remaining provisions shall continue to be valid and enforceable. If a court finds that any provision of this contract is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

A.40. Failure to Enforce

Failure by the State of Oklahoma at any time to enforce the provisions of the contract shall not be construed as a waiver of any such provisions. Such failure to enforce shall not affect the validity of the contract or any part thereof or the right of the State of Oklahoma to enforce any provisions at any time in accordance with its terms.

A.41. Licensed Software

A.41.1. Under no circumstances shall the contractor be required to install or maintain software packages that it has reason to believe are not properly licensed.

A.41.2. All software/software licensing previously installed by the agency remains the responsibility of the agency. Software used by the contractor in performance of this contract is the responsibility of the contractor.

A.42. Contract

The contract shall be for indefinite delivery and indefinite quantity for the products/services awarded.

A.43. Conflict of Interest

Contractor must disclose any contractual relationship or any other relevant contact with any State personnel, or other State contractors involved in the development of this solicitation that result in a contract. Any conflict of interest shall, at the sole discretion of State, be grounds for termination of project involvement; provided that such termination must be made within a reasonable time after disclosure of such relationships or contacts.

In addition to any requirements of law or through a professional code of ethics or conduct, the contractor and the contractor's employees performing services for the State are required to disclose any outside activities or interests that conflict or may conflict with the best interests of the State. Further, such employees shall not plan, prepare, or engage in any activity that conflicts or may

conflict with the best interests of the State of Oklahoma during the period of this agreement without prior written approval of the State. Prompt disclosure is required under this paragraph if the activity or interest is related, directly or indirectly, to any person or entity currently under contract with or seeking to do business with the State, its employees, other third-party individuals, or entities holding contracts with the State.

A.44. Limitation of Liability

To the extent any limitation of liability is construed by a court of competent jurisdiction to be a limitation of liability in violation of Oklahoma law, such limitation of liability shall be void.

A.45. Media Ownership (Disk Drive and/or Memory Chip Ownership)

- A.45.1.** In conjunction with the Oklahoma Computer Equipment Recovery Act and the Office of State Finance's Information Security, Policies, Procedures, and Guidelines – Media Sanitization Procedures for the Destruction or Disposal of all Electronic Storage Media: disk drives and memory cards purchased with or for use in leased equipment under this contract remain the property of the State of Oklahoma.
- A.45.2.** Disk drives and memory cards purchased with or included in leased or purchased equipment under this contract shall remain the property of the State of Oklahoma; therefore, 'Keep Your Hard Drive' costs must be included in the offeror's proposed cost.
- A.45.3.** Personal Identification Information may be retained within electronic media devices and components; therefore, the State shall not allow the release of electronic media either between State Agencies or for the resale of refurbished equipment that has been in use by State entities, by the contractor to the general public or other entities. Electronic Media Retention by the State entities for equipment whether purchased or leased shall also be applied to replacement devices and components the selected offeror's may supply during the downtime (repair) of equipment purchased or leased through this contract. If a device has to be removed from a location for repairs, there shall be sufficient safeguards in place (such as a record of hard drive serial numbers) to protect the Personal Identification Information that may be stored within the hard drive/memory of the device.
- A.45.4.** The State of Oklahoma IT Security Policies may be found at:

<http://www.ok.gov/OSF/documents/InfoSecPPG.pdf>

A.46. Offshore Services

No offshore services are provided pursuant to this contract.

A.47. Failure To Provide

The contractor's repeated failure to provide defined services, without reasonable basis as determined by the sole discretion of the State of Oklahoma's chief Information Officer, shall constitute a material breach of the contractor's obligations, which may result in cancellation of the contract.

A.48. Agency Policies

The contractor's employees and/or sub-contractors must adhere to the agency policies pertaining to acceptable use of Internet and electronic mail, facility and data security, press releases, and public relations. It is up to the contractor to review and relay agency policies covering the above to the consulting staff.

A.49. Compliance With Technology Policies

The contractor agrees to adhere to the State of Oklahoma "Information Security Policy, Procedures, and Guidelines" available at:

www.ok.gov/OSF/documents/StateOfOklahomaInfoSecPPG_osf_12012008.pdf

A.50. Emerging Technologies

The State of Oklahoma reserves the right to modify the terms of this contract at any time to allow for technologies not identified elsewhere under this document. If there are repeated requests for an "emerging technology" and the State feels it is warranted to add such technologies, the State reserves the right to include such technology hereunder or to issue a formal modification or amendment to the contract.

A.51. Ownership Rights

- A.51.1.** It is understood and agreed that the Software is being developed by the contractor for the sole and exclusive use of the State of Oklahoma. Moreover, except with regard to any deliverable based on contractor's reusable or pre-existing intellectual property ("Utilities"), the State of Oklahoma shall be deemed the sole and exclusive owner of all right, title, and interest therein, including all copyright and proprietary rights relating thereto.

- A.51.2.** Except for any utilities, all work performed by the contractor of software and any supporting documentation therefore shall be considered as Works for Hire (as such are defined under the U.S. Copyright Laws) and, as such, shall be opened by and for the benefit of State of Oklahoma.

A.52. Right of Use

- A.52.1.** The State has the right to use or not use the software, not including any utilities, and to use, reproduce, re-use, alter, modify, edit, or change the software as it sees fit and for any purpose. However, contractor shall bear no liability for any changes the State makes to such software.
- A.52.2.** In the event that it should be determined that any of such software or supporting documentation does not qualify as a "Work Made for Hire", contractor irrevocably grants to the State an non-exclusive, irrevocable license to use such portion. With respect to any Utilities, the State shall have the right to perpetual, internal use of the Utilities included in the deliverable.
- A.52.3.** Contractor shall assist the State and its Agents, upon request, in preparing U.S. and foreign copyright, trademark, and/or patent applications covering Software. Contractor shall sign any such applications, upon request, and deliver them to the State. The State of Oklahoma shall bear all expenses that it causes to be incurred in connection with such copyright, trademark, and/or patent protection.

A.53. Source Code Escrow – Reference Title 62 O.S. § 34.31

No State agency, as defined by Section 250.3 of Title 75 of the Oklahoma Statutes, nor the Purchasing Division of the Department of Central Services, unless otherwise provided by Federal law, shall enter into a contract for the acquisition of customized computer software developed or modified exclusively for the agency or the State, unless the contractor agrees to place into escrow with an independent third party the source code for the software and/or modifications.

- A.53.1.** The contractor must agree to place the source code for the software and any upgrades supplied to an agency in escrow with a third party acceptable to the agency and to enter into a customary source code escrow agreement which includes a provision that entitles the agency to receive everything held in escrow upon the occurrence of any of the following:
- a) A bona fide material default of the obligations of the contractor under the agreement with the agency;
 - b) An assignment by the contractor for the benefit of its creditors;
 - c) A failure by the contractor to pay, or an admission by the contractor of its inability to pay, its debts as they mature;
 - d) The filing of a petition in bankruptcy by or against the contractor when such petition is not dismissed within sixty (60) days of the filing date;
 - e) The appointment of a receiver, liquidator or trustee appointed for any substantial part of the contractor's property;
 - f) The inability or unwillingness of the contractor to provide the maintenance and support services in accordance with the agreement with the agency; or
 - g) The ceasing of a contractor of maintenance and support of the software.

The fees of any third-party escrow agent subject to this section shall be borne by the contractor.

- A.53.2.** As used in this section:

- a) "State agency" shall include all State agencies, whether subject to the Central Purchasing Act or not, except the Oklahoma Lottery Commission; and
- b) "Source code" means the programming instruction for a computer program in its original form, created by a programmer with a text editor or a visual programming tool and saved in a file.

A.54. Right to Renegotiate

Prior to exercising the State's right to cancel a contract, the State may renegotiate an existing contract with a contractor for the purpose of obtaining more favorable terms for the State, provided that the term of the contract is not modified.

A.55. Publicity

The award of this contract to contractor is not in any way an endorsement of contractor or contractor's services by the State and shall not be so construed by contractor in any advertising or publicity materials. Contractor agrees to submit to the State all advertising, sales promotion, and other publicity matters relating to this contract wherein the State's name is mentioned or language used from which the connection of the State's name therewith may, in the State's judgment, be inferred or implied. Contractor further agrees not to publish or use such advertising, sales promotion, or publicity matter without the prior written consent of the State. Nor shall contractor release any informational pamphlets, notices, press releases, research reports, or similar public notices concerning this project without obtaining the prior written approval of the State.

A.56. Mandatory and Non-Mandatory Terms

- A.56.1.** Whenever the terms “shall”, “must”, “will”, or “is required” are used in this RFP, the specification being referred to is a mandatory specification of this RFP. Failure to meet any mandatory specification may cause rejection of the Offeror’s Proposal.
- A.56.2.** Whenever the terms “can”, “may”, or “should” are used in this RFP, the specification being referred to is a desirable item and failure to provide any item so termed shall not be cause for rejection.

A.57. Special Provisions

Special Provisions apply with the same force and effect as these General Provisions. However, conflicts or inconsistencies shall be resolved in favor of the Special Provisions.

B. SPECIAL PROVISIONS

The offeror must affirm its understanding of all OSEEGIB special provisions (B.1- B.13), provide information where requested and agree to comply with those provisions for the duration of the contract. Alternative language offered by the offeror shall be considered as to whether it is or is not in the best interest of OSEEGIB and shall be evaluated accordingly. Alternative language shall be listed by the offeror in section G.1 – Statement of Compliance.

B.1. Acceptance of Offer

- B.1.1.** The submission of a proposal shall constitute a binding offer. The proposal shall remain in effect for six (6) months after submission. OSEEGIB shall have the option of accepting the proposal at any time within that six (6) month period. If the proposal is accepted more than six (6) months after submission, OSEEGIB and the offeror will agree to adjust the time lines up to six (6) months. The offeror is advised that its proposal may be accepted any time within that six (6) month period, even if OSEEGIB accepted another offeror's proposal and subsequently that contract was terminated.
- B.1.2.** By submitting a proposal, the offeror agrees not to make any claims for, or have any right to, damages because of any misunderstanding or misrepresentation of the specifications or because of any misinformation or lack of information.
- B.1.3.** If a offeror fails to notify OSEEGIB of an error, ambiguity, conflict, discrepancy, omission or other error in the RFP known to the offeror, or an error that reasonably should have been known by the offeror, the offeror shall submit a proposal at its own risk; and, if awarded the contract, the offeror shall not be entitled to additional compensation, relief or time by reason of the error or its later correction.

B.2. Contractual Term

- B.2.1.** The purchase of the system will occur immediately after date of award. The contract period is from date of award through December 31, 2012, with four (4) one-year (1-year) renewals for maintenance services at the option of OSEEGIB. OSEEGIB intends to renew the Contract for the additional four (4) years subject to the terms and conditions of the Contract, unless OSEEGIB determines in its sole discretion, that re-bidding Contract services is in OSEEGIB members' best interest.

B.3. Termination

- B.3.1.** The offeror shall give OSEEGIB at least one hundred eighty (180) days written notice prior to cancellation. The offeror shall also provide one hundred eighty (180) days written notice prior to non-renewal.
- B.3.2.** OSEEGIB and the Oklahoma Office of State Finance "OSF" Information Services Division hereinafter Information Services Division "ISD" may terminate this contract for cause upon giving the Offeror thirty (30) days written notice. Termination for cause is defined as the failure of the offeror to maintain the quality of its services provided for by this contract to the satisfaction of OSEEGIB. OSEEGIB and the ISD may terminate this contract without cause upon giving the Offeror sixty (60) days written notice.
- B.3.3.** Following the effective date of termination, this contract shall be of no further force and effect, except that each party shall remain liable for any obligations or liabilities arising from activities carried on by it hereunder prior to the effective date of termination of this contract.
- B.3.4.** The offeror, OSEEGIB and the ISD shall agree that each party reserves the right to terminate this contract if funds are not available to support the continuation of this benefit program administered by OSEEGIB or if it is otherwise determined by OSEEGIB, at its sole discretion, that it is in the best interest of the State to terminate the contract.
- B.3.5.** Within thirty (30) days after the date the offeror receives notice of termination, the offeror shall, at no additional cost to OSEEGIB, copy and deliver to OSEEGIB all files and data bases in an agreed upon electronic format, together with necessary and appropriate documentation (including record layouts of the data bases and their application) used in the administration of the system. Coordination of this transfer is vital to the continuity of the OSEEGIB's business and the offeror must do whatever is necessary to facilitate a timely and accurate transfer. Administrative procedures, both internal and external, and other related material necessary to operate the system shall also be delivered. Between notification of termination and the termination date, additional information must be provided as requested.
- B.3.6.** At the close of business on the termination date, the Offeror shall transfer to OSEEGIB or its designee all remaining files, databases, correspondence and any other information pertaining to the system shall be delivered to OSEEGIB immediately upon termination.

B.4. Appropriated Funds

The parties understand and agree that none of the sums to be paid under this agreement are appropriated funds. Should there be a revenue shortfall, OSEEGIB will not seek appropriations and will not use appropriated funds to pay for this obligation. The most recent financial statement of OSEEGIB is posted on OSEEGIB's website: www.sib.ok.gov/sib/ (go to "About OSEEGIB" 2010 Annual

B.5. Records

The Offeror shall maintain full and adequate records relating to the services it is performing under this agreement and shall allow OSEEGIB to review and copy such records upon request. The Offeror shall provide adequate safeguards for all books and records. The Offeror shall reveal to OSEEGIB the specifics of its safeguarding program.

B.6. Ownership of Data

- B.6.1.** Although OSEEGIB is subject to the Oklahoma Open Records Act, 51 O.S. (2001) § 24A.1, OSEEGIB maintains documents and information that are considered confidential by law, 74 O.S. (2001) § 1322. In connection with this Contract, the offeror will have access to information that is considered confidential, and the offeror warrants and represents that such confidential information shall not be sold, assigned, conveyed, provided, released, disseminated or otherwise disclosed by the offeror, its employees, officers, directors, subsidiaries, affiliates, agents, representatives, assigns, subcontractors, independent contractors, successors, or any other persons or entities without OSEEGIB's express written permission. The offeror shall instruct its agents, representatives, subcontractors and/or independent contractors that they shall not use or disclose such confidential information to any other person or entity without the express written permission of OSEEGIB, except as absolutely necessary for offeror to render services under this Contract or as required by law. The offeror warrants and represents that it has a tested and proven system in effect to protect all confidential information as defined herein.
- B.6.2.** OSEEGIB "Confidential Information" includes the records and resulting data generated from the confidential information of all OSEEGIB members, retirees, and beneficiaries in any plan administered by OSEEGIB and all other related information that is subject to protection from disclosure pursuant to Oklahoma or federal law, including, without limitation all privacy protections as provided in and in the "Privacy Rule" adopted pursuant to HIPAA.
- B.6.3.** The offeror agrees that OSEEGIB possesses exclusive property rights to the records and data designated herein as confidential information on behalf of OSEEGIB members. The offeror shall establish, maintain, and enforce agreements with its officers, directors, employees, subcontractors, independent contractors, affiliates, subsidiaries, assigns, agents and representatives who have access to any confidential information to fulfill the offeror's duties and obligations in this Contract and to specifically prohibit any use, sale, assignment, conveyance, provision, release, disclosure or other dissemination of any confidential information, except as otherwise required by law or authorized by OSEEGIB.
- B.6.4.** The offeror shall immediately report to OSEEGIB any and all unauthorized use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination of any confidential information of which it or its subsidiaries, affiliates, employees, officers, directors, assigns, agents, representatives, independent contractors, and subcontractors is aware or have knowledge or reasonably should have knowledge. The offeror shall also promptly furnish to OSEEGIB full details of the unauthorized use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination, or attempt thereof, and use its best efforts to assist OSEEGIB in investigating or preventing the reoccurrence of such event in the future. The offeror shall cooperate with OSEEGIB in connection with any litigation and investigation deemed necessary by OSEEGIB to protect any confidential information. The offeror further agrees to promptly prevent a reoccurrence of any unauthorized use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination of confidential information.
- B.6.5.** The offeror acknowledges that any improper use, appropriation, sale, assignment, conveyance, provision, release, access, acquisition, disclosure or other dissemination of any confidential information to others may cause immediate and irreparable harm to OSEEGIB and/or HealthChoice members and may violate state or federal laws and regulations. If the offeror or its affiliates, subsidiaries, employees, officers, directors, assigns, agents, representatives, independent contractors, and subcontractors improperly use, appropriate, sell, assign, convey, provide, release, access, acquire, disclose or otherwise disseminate such confidential information to any person or entity in violation of the Contract, OSEEGIB will immediately be entitled to injunctive relief and/or any other rights or remedies available to OSEEGIB under this Contract, at equity or pursuant to applicable statutory, regulatory, and common law without a cure period.
- B.6.6.** During the term of this Contract, the offeror agrees that OSEEGIB is granted access to all OSEEGIB Confidential Information in the possession of the offeror and upon OSEEGIB request the offeror shall deliver to OSEEGIB a copy of any specified OSEEGIB confidential information and data that the offeror prepared, developed and/or stored by the offeror as part of this contract.
- B.6.7.** Prior to the expiration, or upon the earlier termination of this Contract, the offeror shall provide OSEEGIB all confidential information and data as defined herein within the offeror's possession in the form of hard copy and/or electronic storage media. This paragraph does not apply to the offeror's proprietary formats or systems that contain the confidential information or proprietary documents pertaining to the operation of

the offeror's business. The offeror may retain copies of those records or documents which it considers necessary for proof of performance.

B.6.8. This entire Section shall survive any termination, renewal, extension or amendment of this Contract.

B.7. Contract Defined

B.7.1. This RFP, together with the Offeror's response, exhibits, written questions and clarifications, amendments or revisions signed by both parties and presented to the ISD and the ISD purchase order, constitute the entire and final agreement between OSEEGIB and the Offeror relating to the rights granted and the obligations assumed by the parties and is the Contract when the ISD awards the Contract to the successful Offeror.

B.7.2. Any prior agreements, promises, negotiations, or representations, either oral or written, relating to the subject matter of this Offeror and the Offeror's response thereto, not expressly set forth, are of no force or effect.

B.8. Hold Harmless

The Offeror shall be responsible for the work, direction, and compensation of Offeror employees, agents and subcontractors. Neither OSEEGIB nor the State of Oklahoma shall be liable, directly or indirectly, for the work and direction of Offeror's employees, agents or subcontractors. The Offeror agrees to indemnify and hold harmless OSEEGIB, its employees and agents, and the State of Oklahoma from damages, loss, or liability to persons or property arising from claims of any kind, including, but not limited to compensation by Offeror employees, agents, and subcontractors of the Offeror against the Offeror; negligent or willful acts of the Offeror its employees or agents in performance of this Contract; acts, omissions or liabilities of the Offeror acting in any capacity that relate to the Contract; and damages, costs, fines or penalties arising from HIPAA violations committed by Offeror employees, agents or subcontractors. The State of Oklahoma does not waive compromise, concede, surrender, or relinquish any rights, privileges, immunities, or remedies that the State of Oklahoma and its employees possess under State or Federal law.

B.9. Designation of Personnel

OSEEGIB may designate personnel or professionals under contract with OSEEGIB to administer any of the terms or conditions of this contract referenced herein, and any and all duties or acts required of OSEEGIB.

B.10. Notice

Any notice required to be given, pursuant to the terms and provisions of the contract, shall be in writing, and delivered either by hand delivery with written receipt, or delivered by the U. S. Postal Service, (USPS) postage prepaid, by certified mail, return receipt requested, to OSEEGIB at 3545 N.W. 58th, Oklahoma City, Oklahoma 73112, or the Offeror at the address listed on the ISD purchase order. The USPS notice shall be effective on the date indicated on the return receipt.

B.11. Supremacy of State Statutes

This Contract is subject to all applicable Federal Regulations and Oklahoma State Statutes, OSEEGIB's Rules and Administrative Directives. Any provision of this contract which is not in conformity with existing or future legislation shall be considered amended to comply with such legislation. Any interpretation or disputes with respect to contract provisions shall be resolved according to the laws of the State of Oklahoma. Jurisdiction and venue for any litigation between OSEEGIB and the Offeror shall occur in either a State or Federal court in Oklahoma County, Oklahoma.

B.12. Subcontractors

The Offeror shall identify each subcontractor performing services on behalf of the Offeror to comply with the RFP and contract provisions. The Offeror shall certify that each subcontractor complies with the minimum requirements of this RFP. The Offeror shall provide said certification for future subcontractors when a subcontractor is engaged to perform services for OSEEGIB on behalf of the contracted Offeror.

B.13. Confidentiality and HIPAA Requirements

B.13.1. The Offeror agrees that in the event Private Health Information is stored in the system, it maintains internal practices, policies, books and records, including policies and procedures relating to the use and disclosure of OSEEGIB confidential and protected health information and will provide OSEEGIB a summary description of those policies and procedures upon request. All OSEEGIB member information concerning this RFP is the sole property of the State of Oklahoma and shall remain confidential. It shall not be used by the Offeror nor transmitted to others for any reason whatsoever, except as shall be required to administer and implement the Solicitation Specifications described in this RFP, or with prior written approval from OSEEGIB.

- Identify the Offeror's HIPAA compliance officer.

B.13.2. Obligations of the Offeror

- B.13.2.1. Permitted Uses.** The Offeror shall not use Protected Information except for the purpose of performing the Offeror's obligations under the Contract and as permitted under the Contract. Further, the Offeror shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule if so used by OSEEGIB, except that the Offeror may use Protected Information (i) for the proper management and administration of the Offeror, (ii) to carry out the legal responsibilities of the Offeror, or (iii) for Data Aggregation purposes for the Health Care Operations of OSEEGIB, and also as permitted in Section (3) of this Business Associate Agreement [45 CFR §§ 164.504(e)]
- B.13.2.2. Permitted Disclosures.** The Offeror shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule if disclosed by OSEEGIB, except that the Offeror may disclose Protected Information (i) in a manner permitted pursuant to the Contract (ii) for the proper management and administration of the Offeror, (iii) as required by law, or (iv) for Data Aggregation purposes for the Health Care Operations of OSEEGIB and as permitted in the Business Associate Agreement. Unless agreed otherwise herein, to the extent that the Offeror discloses Protected Information to a third party, the Offeror must obtain, prior to making any such disclosure, (i) reasonable assurance from such third party that such Protected Information will be held confidential and secure and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) an agreement from such third party to notify the Offeror of any breaches of confidentiality or security of the Protected Information, to the extent it has obtained knowledge of such breach. [45 CFR §§ 164.504(e)]
- B.13.2.3. Appropriate Safeguards.** The Offeror shall use appropriate safeguards and train its workforce according to Offeror procedures as necessary to prevent the use or disclosure of Protected Information; and ensure the integrity and availability of electronic protected information that the Offeror creates, receives, maintains or transmits. The Offeror shall implement administrative, technical and physical safeguards that are reasonable and appropriate to the size and complexity of the Offeror's operations and the nature and scope of its activities. [45 CFR § 164.504(e)] [45 CFR § 164.306(a)]
- B.13.2.4. Offeror's Agents.** The Offeror shall ensure that any agents, including subcontractors to whom it provides Protected Information, agree to the same restrictions and conditions that apply to the Offeror with respect to such PHI. [45 CFR § 164.504(e)(2)(ii)(D)] The Offeror shall maintain sanctions against agents and subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation. [45 CFR § 164.530(e)(1) and 164.530(f)]
- B.13.2.5. Access to Protected Information.** The Offeror shall make Protected Information, maintained in a Designated Record Set by the Offeror or its agents or subcontractors, available to OSEEGIB for inspection and copying within ten (10) days of a request by OSEEGIB to enable OSEEGIB to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524. [45 CFR § 164.504(e)(2)(ii)(E)]
- B.13.2.6. Amendment of PHI.** Within ten (10) days of receipt of a request from OSEEGIB for an amendment of Protected Information in a Designated Record Set or other record about an individual, the Offeror or its agents or subcontractors shall make such Protected Information, within its possession, available to OSEEGIB for amendment and incorporate any such amendment to enable OSEEGIB to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.526. If any individual requests an amendment of Protected Information directly from the Offeror or its agents or subcontractors, the Offeror must notify OSEEGIB in writing within five (5) days of the request. Any denial of amendment of Protected Information maintained by the Offeror or its agents or subcontractors shall be the responsibility of OSEEGIB. [45 CFR § 164.504(e)(2)(ii)(F)]
- B.13.2.7. Accounting Rights.** The Offeror agrees to implement a process to prepare an accounting of a member's Protected Information that is collected and maintained by the Offeror and its agents or subcontractors, subject to the exceptions, if any, to enable OSEEGIB to respond to a request for an accounting of disclosures. At a minimum, such information shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed; and (iv) a brief statement of purpose of the disclosure that reasonable informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. The Offeror and its agents or subcontractors shall make the accounting available to OSEEGIB, within a reasonable time or the time allowed by the applicable Privacy Rule, to enable OSEEGIB to fulfill its obligations under the Privacy Rule, as amended. In the event that the request for an accounting is delivered directly to the Offeror or its agents or subcontractors, the Offeror shall process the request according to the current Privacy Rule (s) as amended, and forward a copy to OSEEGIB.
- B.13.2.8. Governmental Access to Records.** The Offeror shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining OSEEGIB's compliance with the Privacy Rule. [45 CFR § 164.504(e)(2)(ii)(H)] The Offeror agrees to notify OSEEGIB with the date it provides access to OSEEGIB Protected Information to the Secretary and a general description of any OSEEGIB Protected Information it provides to the Secretary.

- B.13.2.9.** Minimum Necessary. The Offeror and its agents or subcontractors shall only request, use and disclose the minimum amount of Protected Information necessary to accomplish the purpose of the request, use or disclosure. [45 CFR § 164.514(d)(3)]
- B.13.2.10.** Data Ownership. The Offeror acknowledges that the Offeror has no ownership rights with respect to the Protected Information.
- B.13.2.11.** Retention of Protected Information. The Offeror and its subcontractors or agents shall transmit the Protected Information described in the Contract to OSEEGIB on a scheduled basis according to Contract terms. The Offeror shall maintain all Protected Information that has not been previously transmitted to OSEEGIB for a period of six (6) years after the date it was created or the last effective date, whichever is later or transmit it to OSEEGIB for receipt and storage. [See 45 CFR §§ 164.530 (j)(1)(2)]
- B.13.2.12.** Notification of Breach. During the term of this RFP, Offeror agrees to notify OSEEGIB within three (3) days of discovery of any use or disclosure of PHI not authorized by this agreement or the terms of the Contract, of which the Offeror becomes aware. Within thirty (30) days after the date discovered, Offeror agrees to report to OSEEGIB the following: the nature of the non-permitted use or disclosure; the OSEEGIB PHI used or disclosed; who made the non-permitted or violating use or received the non-permitted or violating disclosure; what corrective actions Offeror has taken or will take to prevent further non-permitted or violating uses or disclosures; and what Offeror did or will do to mitigate any deleterious effect of the non-permitted or violating use or disclosure. The Offeror shall also notify OSEEGIB of a finding or stipulation that the Offeror has violated any standard or requirement of the HIPAA Regulations or other security or privacy laws arising from any administrative or civil proceeding in which the Offeror has been joined. The Offeror agrees that OSEEGIB and the Offeror will investigate an actual breach; however, the Offeror will coordinate with OSEEGIB to control the investigation or any notification procedures related to the incident. Offeror agrees and acknowledges CMS Guidance and special notifications to HHS and the CMS/OSEEGIB Account Representative in the event of a security or privacy breach of Medicare beneficiaries' protected health information.

With regard to implementation of the HIPAA Security Rule, 45 CFR Part 164, Subpart C, Oklahoma Statute 74 O.S. § 3113.1 and the occurrence of a Security Incident, Offeror agrees to report to OSEEGIB any successful (i) unauthorized access, use, disclosure, modification, or destruction of OSEEGIB electronic PHI or (ii) interference with Offeror system operations that contain OSEEGIB member information of which Offeror becomes aware. Offeror will make such report to the OSEEGIB HIPAA Security Officer immediately after Offeror learns of any successful Security Incidents. To avoid unnecessary burden on either party, Offeror will only be required to report, upon OSEEGIB's request, attempted, but unsuccessful unauthorized access, use, disclosure, modification, or destruction Offeror electronic PHI or interference with system operations in Offeror information systems that involve OSEEGIB electronic PHI of which Offeror becomes aware, provided that OSEEGIB's request shall be made no more often than is reasonable based upon the relevant facts, circumstances and industry practices.

- B.13.2.13.** Audits, Inspection and Enforcement. Upon request, the Offeror agrees that OSEEGIB or its designee, may conduct a reasonable inspection of Offeror facilities, systems, books, records, policies and procedures relating to the use or disclosure of Protected Information pursuant to the Contract for the purpose of determining whether the Offeror has complied with HIPAA; provided, however, that (i) the Offeror and OSEEGIB shall mutually agree in advance upon the scope, timing and location of such an inspection, (ii) OSEEGIB shall protect the confidentiality of all confidential and proprietary information of the Offeror to which OSEEGIB has access during the course of such inspection; and (iii) OSEEGIB shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by the Offeror. The fact that OSEEGIB inspects, or fails to inspect, or has the right to inspect, the Offeror's facilities, systems, books records, policies and procedures does not relieve the Offeror of its responsibility to comply with these terms of the Contract between Offeror and OSEEGIB. OSEEGIB's failure to detect deficiencies or failure to notify the Offeror or require the Offeror's remediation of any unsatisfactory practices does not constitute acceptance of such practices or a waiver of OSEEGIB's enforcement rights under the Contract between Offeror and OSEEGIB.
- B.13.3.** Special Uses and Disclosures
- B.13.3.1.** Offeror may create, receive, use, or disclose PHI related to OSEEGIB Plan participants only in a manner that is consistent with the terms of the Contract and the Privacy Rule, and only in connection with providing the services to OSEEGIB that are related to the administration of prescription drug benefits and/or identified in the Contract. Offeror may de-identify OSEEGIB PHI, provided Offeror complies with 45 CFR §164.514(b); does not violate the Privacy Rule if done by OSEEGIB; and the Offeror provides written assurances to OSEEGIB regarding use and disclosure of the de-identified data.
- B.13.3.2.** Offeror may, consistent with the Privacy Rule, use or disclose PHI that a Business Associate receives in its capacity as manager of prescription drug benefits and in its capacity as a Business Associate to OSEEGIB if such use relates to the proper management and administration of the Business Associate or

to carry out legal responsibilities of the Business Associate under the RFP. "Legal responsibilities" of the Business Associate used herein shall mean responsibilities imposed by law or regulation, but (unless otherwise expressly permitted by OSEEGIB) shall not mean obligations the Offeror may have assumed pursuant to contracts, agreements, or understandings other than the terms of the Contract.

- B.13.3.3.** Offeror may engage in "data aggregation services" related to OSEEGIB in a manner permitted by the Privacy Rule at 45 CFR § 164.504(e)(2)(i)(B) and that complies with the terms of the Contract. "Data aggregation services" as used herein shall mean the combining of PHI by Offeror with PHI received by the Offeror in its capacity as a Business Associate of another covered entity, to permit analysis of data that relates to the health care operations of OSEEGIB or another covered entity.
- B.13.3.4.** Offeror may use PHI to report violations of law to appropriate federal and state authorities, consistent with 45 CFR § 164.502.
- B.13.3.5.** Any right of the Offeror to create, use, or disclose PHI pursuant to this Agreement shall not include the right to 'de-identify' or aggregate PHI, except as provided for in this Business Associate Agreement or as expressly permitted by OSEEGIB or the Privacy Rule, provided that such use or disclosure would not violate the Privacy Rule if done by OSEEGIB.
- B.13.4.** Obligations of OSEEGIB
 - B.13.4.1.** OSEEGIB shall be responsible for using appropriate safeguards to maintain and ensure the confidentiality, privacy and security of PHI transmitted to the Offeror pursuant to this RFP, in accordance with the standards and requirements of the Privacy and Security Rules, until such PHI is received by the Offeror.
 - B.13.4.2.** OSEEGIB shall notify Offeror of any limitation(s) in its notice of privacy practices of OSEEGIB in accordance with 45 CFR § 164.520, to the extent that such limitations may affect Offeror use or disclosure of PHI, and shall also notify Offeror of any material change in privacy practices and procedures of OSEEGIB.
 - B.13.4.3.** OSEEGIB shall notify Offeror of any changes in, or revocation of, permission by an Individual to use or disclose PHI to the extent such changes may affect Offeror use and disclosure of PHI.
 - B.13.4.4.** OSEEGIB shall notify Offeror of any restrictions in the use or disclosure of PHI that OSEEGIB has agreed to in accordance with 45 CFR § 164.522, to the extent such restriction may affect Offeror use or disclosure of PHI. Prior to agreeing to any restriction, OSEEGIB will consult with Offeror regarding whether the proposed restriction will affect its functions, activities, or services under the Contract.
 - B.13.4.5.** If OSEEGIB or Offeror receives a request from an Individual for confidential communication of PHI by alternative means or at alternative locations in accordance with 45 CFR 164.522(b), both OSEEGIB and Offeror will accommodate the request to the extent feasible
 - B.13.4.6.** OSEEGIB shall not request Offeror to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if such use or disclosure were made by OSEEGIB.
- B.13.5.** Termination
 - B.13.5.1.** Material Breach. A breach by the Offeror of any material provision of the terms of the Business Associate Agreement Section of the Contract may constitute a material breach of the Contract and provide grounds for immediate termination of the Contract by OSEEGIB pursuant to Termination Section of the Contract. [45 CFR § 164.504(e)(2)(iii)]
 - B.13.5.2.** Reasonable Steps to Cure Breach. If OSEEGIB knows of a pattern of activity or practice of the Offeror that constitutes a material breach or violation of the Offeror's obligations under the provisions of the terms of the Business Associate Agreement Section, OSEEGIB shall provide Offeror with an opportunity to cure the breach and end the violation. If Offeror does not cure the breach with ninety (90) days after OSEEGIB notifies Offeror of the opportunity to cure, then, within the sole discretion of OSEEGIB, OSEEGIB shall take reasonable steps to cure such breach or end such violation, as applicable. If OSEEGIB's efforts to cure such breach or end such violation are unsuccessful, OSEEGIB shall either (i) terminate the Contract, if feasible or (ii) if termination of this the Contract is not feasible, OSEEGIB shall report the Offeror's breach or violation to the Secretary of the Department of Health and Human Services. [45 CFR § 164.504(e)(l)(ii)]
 - B.13.5.3.** Compliance with the HITECH Act

Sections 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), and 164.316 (policies and procedures and documentation requirements) of title 45, Code of Federal Regulations the Security Rule, shall apply to a Business Associate in the same manner that such sections apply to a Covered Entity. The additional requirements of Title XXXIII of the "Health Information Technology for Economic and Clinical Health Act" or the "HITECH Act" contained in Public Law 111-005 that relate to security and that are made applicable with respect to covered entities shall also be

applicable to a Business Associate and shall be and by this reference hereby are incorporated into this Business Associate Agreement.

Business Associate may use and disclose Protected Health Information that a Business Associates obtains or creates only if such use or disclosure, respectively, is in compliance with each applicable requirement of Section 164.504(e) of Title 45, Code of Federal Regulations, the Privacy Rule, relating to business associate contracts. The additional requirements of Subtitle D of the "Health Information Technology for Economic and Clinical Health Act" or the "HITECH Act" contained in Public Law 111-005 that relate to privacy and that are made applicable with respect to covered entities shall also be applicable to Business Associate and shall be and by this reference hereby are incorporated into the Business Associate Agreement. Business Associate agrees that HIPAA and HITECH civil and criminal penalties for data security and privacy violations apply to Business Associate when acting on behalf of OSEEGIB to the extent the penalties apply to OSEEGIB.

- B.13.5.4.** Effect of Termination. Upon termination of the terms of the Business Associate Agreement for any reason, the Offeror shall return all OSEEGIB Protected Information to OSEEGIB that the Offeror or its agents or subcontractors still maintain in any form according to B.19 of the RFP.

C. SOLICITATION SPECIFICATIONS

The Offeror shall comply with all requirements in this section. The Offeror must state in its response exactly how it will comply, providing detailed information and stating affirmatively its understanding of the requirement(s). Any alternative solutions offered by the Offeror to the required Solicitation Specifications shall be considered as to whether the alternative solution is or is not in the best interest of OSEEGIB, and shall be evaluated accordingly. Said alternative solutions(s) shall be listed by the Offeror in Section G - Statement of Compliance.

In the event the Offeror proposes an alternative solution to a stated requirement, the Offeror shall explain in detail and provide the potential impact to OSEEGIB. No such alternative solution may be substituted by the Offeror without express written approval of OSEEGIB.

All maintenance services required in this RFP are all-inclusive, and the Offeror shall not charge any additional fees. Any additional services that the Offeror intends to provide OSEEGIB, and which are included in the fees quoted in the response to this RFP, should be described in the Offeror's response. Any additional services that the Offeror intends to provide OSEEGIB, and which are not included in the administrative fees quoted, shall be itemized in the Offeror's financial proposal.

Some of these specific requirements currently exist, some are in development (e.g. group contracting) and some are possible directions that could be taken to achieve the business objectives.

C.1. Statement of Purpose

The Oklahoma State and Education Employees Group Insurance Board, "OSEEGIB", requests proposals from Offerors to provide a comprehensive Provider Network Contracting and Credentialing System, hereinafter the "System" and maintenance services. "Provider" as used here in refers to individuals, groups and facilities. This Request for Proposal "RFP" covers the requirements for all software and support to run the System on OSEEGIB hardware or, alternatively, on hardware platforms owned and operated on premises designated by the Offeror, or a combination thereof. OSEEGIB intends to operate the System and the Offeror to maintain the same. This RFP defines OSEEGIB requirements to qualify as an Offeror for a contract award and describes the requested needs and anticipated system to be purchased as well as maintenance for the system.

The State Chief Information Officer may negotiate provisions in an RFP to reduce costs and/or improve the level of service in conjunction with the acquisition of computer technology systems. 74 O.S. (2001) § 85.9D

C.2. Objectives

The system shall enable providers to receive fast and accurate processing of contracts and applications, while containing costs by being innovative and providing efficient cost effective resources and technology. OSEEGIB is looking for an Offeror to have a proactive approach to short and long term objectives and initiatives. OSEEGIB intends to hire an Offeror with a reputation in the marketplace focusing on quality service. The Offeror shall provide efficient administration of contract management system suited for the needs of all HealthChoice providers, with a focus on cost containment.

C.3. Identification of OSEEGIB

OSEEGIB was established by, and operates pursuant to, the Oklahoma State and Education Employees Group Insurance Act, 74 O.S. (2011) § 1301, et seq., hereinafter "Act". The Act was established for the benefit of state and education employees, employees of other state governmental entities and quasi-state governmental entities authorized by the Act to participate in the plans offered by OSEEGIB. The insurance plans offered by OSEEGIB are known as the HealthChoice plans. OSEEGIB makes decisions on all policy matters affecting the programs including network management, provider contracting, credentialing and claims adjudication.

Pursuant to legislative authority, OSEEGIB Rules set forth the eligibility, type of participation and benefits guidelines for all participating employers. A copy of the official agency Rules is on file with the Office of the Secretary of State beginning at Oklahoma Administrative Code Title 360:1-1-1, or the Rules may be found at www.sib.ok.gov/sib/ ("About OSEEGIB")

OSEEGIB sponsors a full range of self-insured benefit plans for eligible participants. Similar to a PPO (Preferred Provider Organization), OSEEGIB's core health plan ("HealthChoice") is a plan that resembles a mixture of a traditional indemnity plan and an HMO. OSEEGIB administers eleven insurance plans, including one life plan and one disability plan.

Pursuant to an interagency agreement with the Department of Rehabilitation Services, "DRS," an Oklahoma State Agency, OSEEGIB provides DRS with network management, claims processing, quality assurance, reporting, customer service, and drug utilization review services. OSEEGIB also administers a plan for the Department of Corrections, "DOC," an Oklahoma State Agency. Pursuant to its interagency agreement, OSEEGIB provides network management claims processing, quality assurance, reporting and customer service for all inmates for whom DOC is responsible. DRS and DOC plans provide services to covered persons on a referral basis. OSEEGIB manages separate provider networks for HealthChoice, DRS and DOC.

Membership in the HealthChoice provider network is virtually unlimited and covers a large portion of the providers in Oklahoma and those in areas of adjacent states which have market areas in Oklahoma. The fee schedules and network provider contracts currently utilized by OSEEGIB were developed and are maintained by OSEEGIB.

Claims are administered by the plan's current health, dental & life benefit third party administrator ("TPA"), HP Administrative Services, LLC. The pharmacy benefit manager is Medco Health Solutions. GHS Property and Casualty Company provide administrative services only for disability benefits.

OSEEGIB manages all contracting, credentialing and claim adjudication design functions. Currently OSEEGIB primarily contracts

with providers on an individual basis. Group contracting is utilized for a few very specific exceptions such as radiology groups and pathology groups. Group contracting is expected to be offered to all providers shortly after the System is in place. OSEEGIB does not presently perform full primary source verification for credentials management. OSEEGIB's current process is to verify required licensures, liability coverage and accreditations via document copies submitted by the provider as part of the application process. OSEEGIB does not currently track renewals or re-credential. OSEEGIB intends to perform these functions in the future.

C.4. Participating Providers in All Locations as of January 2011

OSEEGIB's contracted providers include a wide range of specialties and facilities located across the state and the nation. This count includes multiple locations for some providers.

HealthChoice Facilities	1741
DRS Facilities	652
DOC Facilities	311

HealthChoice Individual Providers	26,157
DRS Individual Providers	6,287
DOC Individual Providers	3,280

C.5. Overview of Current Provider Contracting Business Processes

C.5.1. General Overview

OSEEGIB operates a Provider Relations division. The division is responsible for establishing and maintaining the HealthChoice, DRS and DOC networks. The division consists of 9 full time network managers, a full time division director and full time assistant director. Network managers are responsible for day to day contracting, provider enrollment and maintenance functions within the OSEEGIB contract management system. OSEEGIB receives over 1500 contracts annually. There will likely be an increase in this number 2012 due to the anticipated group contracting initiative.

Documents processed by OSEEGIB include contracts, applications, terminations, Electronic Funds Transfer updates, additional locations notices, demographic and contact changes, entity reorganization notices, and 1099's. All forms are submitted by the provider to OSEEGIB for review and approval. All approved forms are entered manually into the OSEEGIB database. All incomplete or ineligible forms are returned to the provider. OSEEGIB contacts the provider for additional information as needed and makes any changes as indicated. OSEEGIB will inform the provider if participation is denied for the HealthChoice, DRS or DOC network.

During the proposed group contracting initiative, OSEEGIB expects to reestablish the existing 40,000 individual provider records to approximately 1500 affiliated group agreements. The re-contracting initiative is scheduled to be phased-in based on provider type. This initiative will result in a large increase in system demand.

A provider search engine is currently utilized by OSEEGIB for statistical reporting. OSEEGIB reports include but are not limited to:

- DRS/DOC Month End Reports
- DRS/DOC Quarterly reports
- HealthChoice/DRS/DOC RAD's
- Mass mail outs- email and USPS reports
- DRS/DOC Recruitment reports (HC providers not contracted with DRS/DOC)
- Provider Search/statistical reports
 - Provider address
 - Provider address by specialty/TIN
 - Provider count by specialty
 - Provider EFT/Term code
 - User Audit reports
 - Missing NPI reports
 - Provider Contact report
 - Termination Code report

A provider website is maintained for each network for the purpose of sharing plan information with providers and providing notifications of plan changes. The website addresses are:

HealthChoice: www.sib.ok.gov

DRS: <https://gateway.sib.ok.gov/drs/>

DOC: <https://gateway.sib.ok.gov/DOC/>

The provider websites also include a search engine that contains all participating providers with demographic information as well as fee schedules that participating providers can access. There is also a “self-service” area that allows providers to verify their practice locations, Tax Identification Numbers and effective dates.

As a state agency the contract philosophy has been “any willing provider”. There are few contract types and the language is relatively general. The contracts will be even more standardized as part of the group contracting initiative. The language and fee schedules are not open to negotiation. Contracts and update documents are maintained in adobe format. Providers can download all forms from the provider website.

The TPA provides the web-based system known as ClaimLink that allows contracted provider to perform direct data entry of claims, check claim status and print duplicate remittance advice’s. The “App Extender Document Manager” system is used by OSEEGIB to store scanned provider documents. Provider recruitment functions are performed on an as needed basis utilizing industry standard resources as well as association provider lists.

The following paragraph’s (C.5.2 thru C.5.15) are stated for informational purposes only and are not intended to prescribe or proscribe methods, procedures or systems that should or should not be included in the Offeror’s proposal. The paragraphs are not meant to document detailed business process mapping, but to provide more insight into the current system.

C.5.2. New Enrollment

Providers submit contract documents to OSEEGIB. OSEEGIB reviews and approves or returns documents within ten business days. The effective date is the date the contract is entered unless provider has indicated a later effective date. As a rule contracts are not backdated. Contracts may occasionally be backdated due to extenuating circumstances, with proper approval. OSEEGIB keys information from a completed contract into the system. Documents are sent to OSEEGIB’s scanning department. Information regarding newly activated providers is provided to the TPA via an electronic daily export.

The current system does not have the ability to store multiple National Provider Identification (NPI) numbers for a contract record. Therefore, one primary NPI is entered into the system and all additional NPIs are documented in the notes section and forwarded manually to the TPA to load into the claims administration system.

C.5.3. Changes to Existing Information

Updated forms are received from providers via mail, email and fax. OSEEGIB verifies and approves the information and enters into the system or returns the documents to the provider. Documents are scanned. Updated information is provided to the TPA via the daily electronic export.

C.5.4. Provider Terminations

Terminations received are verified and approved by OSEEGIB and entered into the system. Notices of provider terminations are mailed to plan members. Reports are generated from the TPA data to identify providers who have not had any claim activity for two years. Providers are contacted to verify status and may be terminated based on response or lack thereof. Documents are scanned. Terminations are provided to the TPA via the daily electronic export. Information regarding terminated providers will remain in the system but will be deactivated. OSEEGIB last purged inactive provider records in 1996.

C.5.5. Information Corrections and Verifications

Correspondence is received from the TPA and other business partners related to corrections and verifications needed. OSEEGIB researches erroneous information and makes necessary corrections or terminations. Documents are scanned. Updates are provided to the TPA via the daily electronic export.

C.5.6. Mass Mailings

Reports are generated from the system regarding current provider data. Provider notices and other mass mailings are generated by the system. Microsoft word is then utilized to perform mail merges to generate documents.

C.5.7. Returned Mail

Returned mail for network providers is researched by OSEEGIB. The provider is contacted to obtain additional information and OSEEGIB updates the system as necessary. If the provider cannot be reached via current contact information or does not provide information requested in a timely manner the provider is terminated.

C.5.8. Provider Claim Issues

Provider claim issues are received via mail, email, phone and fax. OSEEGIB researches claim issues to help with proper resolutions. The OSEEGIB database participation status and details are compared to the TPA's system to identify discrepancies. Updates are entered as necessary. If no discrepancies are found the issue is escalated to TPA for resolution. Discrepancies may require previous updates to be "forced" or re-sent to TPA again via the daily electronic export.

C.5.9. System Administration Functions

The TPA reconciles provider files on a quarterly basis and provides feedback related to questions or corrections identified. Updates are made to provider demographics on a daily basis as indicated by the TPA's incremental update.

C.5.10. Websites

Provider websites and fee schedule search engines are maintained for each network. Fee schedules are available for download by contracted providers. Contracts and documents are available for download by all parties. Articles and notices are published on the website to inform providers of plan, policy and fee schedule changes. This process combined with the newsletter satisfies the notice provision of the provider contracts. The OSEEGIB website may be viewed at www.sib.ok.gov

C.5.11. Newsletters

OSEEGIB publishes a quarterly newsletter. The newsletter includes articles and notices of plan, policy and fee schedule changes. This is another method of providing notification to providers in order to meet the notice provision of the provider contracts. Providers may receive the newsletter by email or by the United States Postal Service (USPS). A report is generated from the system to identify active provider USPS and email addresses. The report is then utilized for mass mail and email.

C.5.12. Reports

OSEEGIB maintains a reporting application, which allows statistical provider reporting. Providers may be categorized by "address", "address by specialty or TIN", "count by specialty", "termination code". This tool is also utilized for statistical reports which are provided monthly, quarterly and annually for the DRS and DOC networks.

C.5.13. Group Contracting

Group contracting is currently limited to pathology and radiology groups. However as part of the group contracting initiative, it will be expanded to include all provider types. Parent companies will need to be established with single or multiple locations. Existing providers will then need to be affiliated with the parent companies at applicable locations.

C.5.14. Scanning

All contracts, applications, credentials and supporting documents are currently marked and scanned for inclusion in the ApplicationXtender system. ApplicationXtender is utilized by OSEEGIB to view documents on file. Individual provider documents are stored under the providers Social Security number. Facility documents are stored under a combination of the facilities TIN/NPI numbers.

C.5.15. Recruitment

Recruitment requests are received from members, providers or other business partners. OSEEGIB identifies providers via standard resources and association provider lists. Recruitment letters are mailed. Follow-up and tracking are handled manually.

C.6. Provider Database

Recruitment requests are received from members, providers or other business partners. OSEEGIB identifies providers via standard resources and association provider lists. Recruitment letters are mailed. Follow-up and tracking are handled manually.

C.6.1. The Proposal must present the Offeror's anticipated system structure, layout and plan for OSEEGIB implementation.

C.6.2. Within the network management, contracting and provider enrollment industry, identify what sets the Offeror's company apart from the competition?

C.7. Detailed Scope

The system must have the following functionality:

- a. Allow for electronic submission of applications and contracts;
- b. Electronic signatures;
- c. Logging and tracking system status;
- d. Workflow with Action Items;
- e. Verification of credentials using any primary source that has a web site;
- f. Ability to affiliate providers with groups via single Provider or in batch mode;

- g. Meets all National Committee for Quality Assurance (NCQA) standards, Joint Commission on the Accreditation of Health Care Organizations (JCAHO) standards, and Utilization Review Accreditation Commission credentialing standards;
 - h. Easily installed modules and upgrades without data conversion or data restructuring;
 - i. Accessible by other software applications;
 - j. Permit the use of other report writer applications;
 - k. Ability to be set up for single-user through multi-user and multi-facility configurations;
 - l. Responsive technical support team and comprehensive training program;
 - m. Ability to Interface with the Office of Inspector General (OIG), the National Provider Database (NPDB) and the National Committee for Quality Assurance (NCQA);
 - n. Configure notification reports and messages regarding expirations and renewals;
 - o. Automatic and ad hoc generation of forms (ie: provider profile forms) and letters (ie: welcome letters);
 - p. View and print scanned supporting documents;
 - q. Create practitioner-level and/or group-level access;
 - r. Provide outside organizations online access to practitioners' affiliation status requests;
 - s. Allow providers to electronically update their data via a secure process;
 - t. Ability to access using just a web browser;
 - u. Unlimited online user access licenses, including view only status for the TPA;
 - v. Assign super-user, view-only or full read-write access rights;
 - w. Report status of credentialing applications;
 - x. Report on missing information (ie: liability limit, NPI);
 - y. Print Provider profiles;
 - z. Print provider agreements;
 - aa. Ability to populate multiple applications from a single data entry source;
 - bb. Track expiring credentials;
 - cc. Track the application throughout the entire enrollment process and audit the same;
 - dd. Maintains an unlimited number of credentialing application forms;
 - ee. Allow use of Personal Computer and scanner to scan documents such as licenses, malpractice insurance certificates, 1099's and Drug Enforcement Administration (DEA) licenses;
 - ff. Link scanned images directly to the Provider data;
 - gg. Display, print and email scanned documents;
 - hh. Audit tool with ability to track changes;
 - ii. Publish real-time Online Provider Directory listings;
 - jj. Ability to control which search criteria can be used and which Provider data is displayed;
 - kk. Comply with all healthcare reform initiatives.
- C.7.1.** Describe how the proposed System will provide the aforementioned functionalities.
- C.7.2.** Describe variances from the current business processes outlined at C.6.
- C.7.3.** Describe the Offeror's Provider Network Contracting and Credentialing System, specifically identifying the following information:
- C.7.3.1.** Name and version if commercially available,
 - C.7.3.2.** Internally maintained by the Offeror or externally maintained pursuant to an independent contract,
 - C.7.3.3.** Describe system hardware and software platform,
 - C.7.3.4.** Describe the Offeror's experience with the system,

- C.7.3.5. Location of data center where data will be housed,
- C.7.3.6. Location, number, skills and experience of developers,
- C.7.3.7. Timeline for future modifications/enhancements, and
- C.7.3.8. Identify when the Offeror's system was put into production.

C.8. Provider Contracting Relationships

The system must support the following provider relationships for contracting purposes.

- a. Parent companies with single or multiple Federal Tax Identification Numbers (TINs) and National Provider Identifier (NPIs) and single or multiple practice locations/DBAs affiliated with each TIN/NPI.
 - b. Provider affiliation with multiple networks/plans for all or some locations.
 - c. Ability to add additional unique networks in the future and affiliate existing providers with additional networks.
 - d. Ability to affiliate providers with multiple parent companies
 - e. Ability to associate providers with certain group practice locations and not others as necessary.
- C.8.1. Describe in detail how the proposed system will support each of the aforementioned Provider contracting relationships identified above.

C.9. System Training

The Offeror shall offer initial and on-going training for OSEEGIB. The system must include context sensitive "Help", user guides and training manuals.

- C.9.1. Describe in detail the Offeror's training procedures.
- C.9.2. Offer copies of the context sensitive "Help", user guides and training manuals?

C.10. Member Search Engine and Provider Information Website

The system must include a provider browser based application that includes a search engine capable of allowing public access to general information. This application must support the ability to store password protected information that will not be accessed by unauthorized users. The system must support unlimited defined users who will have read only or update permissions with access to password protected information.

- C.10.1. Describe and provide screenshots of the system's member search engine and provider information website.

C.11. Web Provider Self-Serve

The system must have a self-service module. Providers must have the ability to register as a single provider or an authorized representative of a group of providers. Access must have the ability to be limited within the self service module from read-only to submitting updated information online. All information shall be verified and approved by OSEEGIB before being finalized in the system.

- C.11.1. Describe in detail the functionality of the web browser based provider self-service component and provide screenshots.
- C.11.2. Describe in detail the API (application programmer interface) or web service features to integrate the functionality of the software into a custom web interface developed by OSEEGIB. Specifically list the functionality available in these versions of the software or in the alternative, the plans to integrate this functionality and include the planned implementation date.

C.12. Mobile Application

The system must have a mobile application of the self service module to be used on smartphones.

- C.12.1. Describe in detail and provide screenshots of the mobile web or mobile application of the web provider self-service component for use on smartphones and other portable devices. Specifically list the functionality available in these versions of the software or in the alternative, the plans to integrate this functionality and include the planned implementation date.

C.13. Fee Schedule Module

The system must have a fee schedule module that can be configured to display single or multiple codes.

- C.13.1. Describe and provide screenshots of the fee schedule module.

C.14. Provider Contracts and Applications

The system must support electronic signatures, electronic submission of contracts and electronic submission of applications. OSEEGIB intends to comply with the Oklahoma Uniform Electronic Transaction Act (Act), 12A O.S. §15-101 et seq., which defines "Electronic Signature" as "an electronic sound, symbol, or process attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record."

C.14.1. Describe how the system supports submission of electronic signatures, contracts and applications?

C.15. Tracking and Reporting Contracts and Credentials

The system must track and report on expiring contracts and/or credentials (ie: license, liability, DEA, OBNDD or CLIA).

C.15.1. Describe and provide screenshots of the system's ability to track and report on contracts and credentials.

C.16. Enrollment and Updates

The system must generate and upload applications for provider self-service, track expirations & renewals from initiation to completion of the enrollment process and create tracking reports, action items and/or related customizable activities.

C.16.1. Describe and provide screenshots of the systems enrollment and updates ability.

C.17. Provider Profiles

The system must have the ability to configure data elements from the provider profile and print a provider profile with all data required on the Oklahoma Uniform credentialing application.

C.17.1. Describe and provide screenshots illustrating the system's abilities to configure and print provider profiles?

C.18. Translation Services

The system must have the ability to track and run a report of multiple languages accommodated by contracted providers.

C.18.1. Provide a list of languages that may be tracked and screenshots illustrating the system's ability to perform translation services.

C.19. Export

The system must allow for export/import data elements in unlimited data formats with scheduler so data exports can be scheduled to run automatically.

C.19.1. Describe in detail the system's ability to perform this function.

C.20. Reports

The system must have a custom report-writing capability which allows OSEEGIB to design and save ad hoc reports, instant view of data with filters including reports at the audit level. The system must permit the use of other report writer applications. Statistical report types would include but not be limited to statistical reports by plan, provider name, provider type, location, TIN, NPI, effective date, termination date, EFT usage, as well as utilization reports related to credentialing contracting activity as indicated in WorkFlow. The system must produce monthly, quarterly and annual reports for the DRS and DOC networks.

C.20.1. Provide sample reports and describe in detail the system's abilities to provide the specifics mentioned in this section.

C.21. Imaging

The system must allow for scanning and storage of the document within the system with the ability to link to the scanned documents associated to a Provider. The system must support the use of desktop computers and scanners to scan and view documentation.

C.21.1. Describe in detail the system's ability to scan and link to stored documents.

C.22. Workflow

The system must include a workflow system with the ability to create and track action items, route work, manage tasks and run reports of pending items & work completed.

C.22.1. Describe in detail and provide screenshots illustrating the system's workflow system.

C.23. Surveys

The system must have the ability to prepare, implement and track provider satisfaction surveys. The system must compile reports regarding all phases of and fields within the survey.

C.23.1. Describe in detail and provide screenshots illustrating the system's ability to survey providers and report on the same.

C.24. Letters

The system must have the ability to generate and store standard system generated and ad hoc letters (such as welcome, re-credentialing and recruitment letters).

C.24.1. Describe in detail the system's ability to perform this function.

C.25. Contacts

The system must have the ability to store billing, mailing and physical contact information for individual providers, practice locations and parent companies. The contact record must include: name, phone number, email address, and USPS address for each provider, location and parent company. There must also be an ability to formulate a report or mail merge for generation of letters/labels based on any combination of the data and contacts.

C.25.1. Provide sample reports, letters and screenshots along with a detailed description of the system's abilities to store and report on customized contact information.

C.26. Credentials Verification

The system must have an available component to include an interface with credential verification organizations such as the National Practitioner Data Bank (NPDB) and the Office of Inspector General (OIG). The interface must be able to send and retrieve queries and results, manage, track and generate single Provider or batch Provider verifications.

C.26.1. Describe in detail the system's ability to interface with credential verification organizations.

C.27. Quality/Pay for Performance

The system must have an available component to create, store, track and report on user-defined, quality assurance-related measurement data for practitioners.

C.27.1. Describe in detail the system's abilities to perform the indicated functions.

C.28. OSEEGIB Usages

OSEEGIB must be able to enter and maintain any provider's information. Maintenance of the provider system must be reserved for OSEEGIB. The provider may be allowed to perform some self-service of designated information in the database. Provider updates would require verification & approval by OSEEGIB prior to the final update. The TPA must have read only access.

C.28.1. Describe in detail the way in which changes for the roles indicated are to be administered.

C.29. Supporting Technology Requirements

OSEEGIB has the technical expertise to support applications that operate on current Windows operating systems for the client and server side, as well as system technologies of either Microsoft SQL Server or Oracle Database Server. Therefore, the requirements are that all applications provided as part of this system must be certified and fully supported by both the Offeror that supplies the applications directly to OSEEGIB as well the manufacturers to operate on current versions of Windows, Internet Explorer, and either SQL Server or Oracle Database Server. Currently this includes:

- Windows 7 for clients
- Windows 2008 Server R2 for servers
- IE 8
- Either Microsoft SQL Server 2008 or Oracle Database Server 11g.

All software that is developed and maintained by the Offeror that is required for this system to function must be updated and made available to OSEEGIB within one year of new releases made available, and no later than the end of support of the products, by the required third-party system vendors. This is to keep the systems as current as possible for security updates and general updates to avoid compatibility and security problems.

C.29.1. Address how the Offerors proposal meets this section requirement.

C.30. System Performance

The Systems response time must be such that it provides a positive user experience, for both internal users and for user external to the physical offices, namely Providers. The user interface is to be available for user interaction for data entry purposes within 3.0 seconds or less. This includes after saving a record and the screen updating or changing to a new screen. This metric is to be measured with no other network or server activity for the systems involved in this system being fully functional.

C.30.1. What is the Systems historical responses time?

C.30.2. Is the Offeror willing to offer a performance penalty if response times are not met?

C.31. Security Requirements

The system must be secure so that only authorized users can access the system and perform authorized changes. The system will have both OSEEGIB employees accessing it internally, as well as the provider community accessing it from their locations.

Access to the application for internal users shall be Windows pass through authentication, also known as OS Authentication. The Windows Active Directory credentials shall be utilized to provide access in a seamless manner. This feature allows users to authenticate and access the application without requiring a login.

The browser version of the application for use by the Provider community and other users shall allow for user self-registration. The application shall have a feature to recover forgotten user ID and passwords. Email will not be used to transmit forgotten credentials. The system shall reset user passwords upon verifying information specific to the original registration information.

OSEEGIB expects best practices to be used to have a reasonable expectation of system security to protect against unauthorized access. Typical types of attacks include cross-site scripting, SQL injection, buffer overflows and brute-force or dictionary attacks.

C.31.1. Describe the quality assurance testing that is performed to prevent unauthorized use of the application, and include any security certifications obtained, and the frequency of re-certification, if any, such as Common Criteria Web Application Security, Federal Information Processing Standards (FIPS) and the National Institute of Standards and Technology (NIST).

C.31.2. Describe what type of controls and audit trails exist to maintain system and data security, including encryption of data stored in the system and in transmission between all systems involved from the user interface to the storage system.

C.31.3. Describe the standards followed to resolve reported system security issues and the normal turn-around-time for software updates provided to customers.

C.32. Offeror Contacts

The Offeror shall provide a dedicated primary technical contact for OSEEGIB. The technical contact must be an experienced developer. The technical contact must be reasonably available to assist with modifications necessary to OSEEGIB's eligibility export process at any time during the contract. The Offeror shall additionally designate a contact to work with OSEEGIB onsite throughout implementation, during critical phases and to troubleshoot system functions as necessary.

C.32.1. Provide the Offerors contacts titles, relevant skills and years of experience as well as phone numbers, office and email addresses.

C.32.2. Provide schedules of availability.

C.33. Major System Conversion

The Offeror must verify and commit that during the length of the contract, it shall not undertake a major conversion for, or related to, the system used to deliver services to OSEEGIB without specific written notice to OSEEGIB and offered no less than six (6) months prior to use in production.

The Offeror shall provide the following information for all systems used to satisfy the requirements of this RFP:

C.33.1. A data dictionary of all fields that are operational in any system proposed. This data dictionary must include the length of the field and a specific description of the data stored in each field.

C.33.2. The name/description of the appropriate security and encryption to protect the confidentiality of OSEEGIB's data. OSEEGIB currently uses Pretty Good Privacy (PGP) as its standard encryption application. A database table and/or column level encryption is preferred.

C.33.3. The Offeror's business recovery strategy to restore full business functionality in the event of a disruption in service or disaster.

C.33.4. A copy or description of the Offeror's policies and procedures designed to control, limit or prevent the transportation and storage of client data on laptop computers, compact disks, flash memory devices or any other portable memory device.

C.34. Conversion of OSEEGIB Data

The Offeror will work with OSEEGIB to convert the data currently residing in the OSEEGIB database to the Offeror's system. The Offeror shall be responsible for the actual conversion of all existing OSEEGIB provider data. The Offeror must provide OSEEGIB a detailed business plan outlining the conversion of data including testing and a comparative analysis of the Offerors system and OSEEGIB provider database. The Offerors conversion shall include but not be limited to active/terminated provider demographic and detailed contract data for all three networks, notes section, 1099's, imaged provider contracts, letters, applications and previously imaged correspondence.

- C.34.1.** The Offeror must outline its plan to convert the data residing in OSEEGIB's database to the Offeror's system.

C.35. Business Plan

It is the intention of OSEEGIB for the Offeror to implement the Provider Network Contracting and Credentialing System as soon as possible but not later than January 1, 2013 and to include all historical, existing, pending and future contracts, update and enrollment document, credentials tracking, document storage, correspondence, provider information, fee schedule, self-service websites, provider and member search engines. The Offeror shall be responsible for completion of initial set up and upload of all network management data for OSEEGIB, DRS and DOC within sixty (60) calendar days of the contract's effective date.

- C.35.1.** Describe in detail the Offeror's procedures to meet the sample business plan and timeline objectives.

C.36. Added Value

OSEEGIB is a progressive and innovative plan that will consider additional services and opportunities that the Offeror would like to include in the RFP for consideration by OSEEGIB.

- C.36.1.** Describe in detail additional services and opportunities the Offeror can provide beyond the services required in this RFP, at no cost to OSEEGIB.
- C.36.2.** Describe in detail additional services and the associated costs that the Offeror can provide beyond the services required in the RFP. Identify cost savings and business efficiencies associated with the additional services.
- C.36.3.** Identify specific challenges facing the Offeror and OSEEGIB in regard to this RFP.

C.37. Significant Events

The Offeror shall notify OSEEGIB of any current or prospective "significant event" on an ongoing basis to the extent permitted by law. As used in this provision, a "significant event" is any occurrence or anticipated occurrence which might reasonably be expected to have a material effect upon the Offeror's ability to meet its obligations including, but not limited to, any of the following:

- a. Disposal of major assets
 - b. Any major computer software conversion, enhancement or modification to the operating systems, security systems, and application software, used in the performance of this contract
 - c. Termination or modification of any contract or subcontract, if such termination or modification may have a material effect on the Offeror's obligations under this contract
 - d. The Offeror's insolvency or the imposition of, or notice of the intent to impose, a receivership, conservatorship or special regulatory monitoring or any bankruptcy proceedings, voluntary or involuntary, or reorganization proceedings
 - e. The withdrawal of, or notice of the intent to withdraw, any license required under state or federal law
 - f. Default on a loan or other financial obligations
 - g. Impairment of the security offered as a performance guarantee
 - h. Strikes, slow-downs or substantial impairment of the Offeror's facilities or of other facilities used by the Offeror in the performance of this contract
 - i. Changes in background information about the Offeror or its subcontractor(s)
 - j. Reduction or changes in key personnel
 - k. Known or anticipated merger or acquisition
 - l. Known, planned or anticipated stock sales
 - m. Any reorganization
 - n. Any litigation filed by a member against the Offeror
 - o. Any sale or corporate merger
 - p. Any name change
- C.37.1.** Provide the timeframe the Offeror has in place to notify OSEEGIB of events specified in this section.

D. EVALUATION

D.1. Evaluation Method

- D.1.1.** Offers shall be evaluated on the “best value” determination.
- D.1.2.** The State reserves the right to request demonstrations and question clarifications from any or all-responding contractors.

D.2. Proposal Clarification Questions

During evaluation process, the State reserves the right, at its sole discretion, to request clarifications of technical proposals or to conduct discussions for the purpose of clarification with any or all contractors. The purpose of any such discussions shall be to ensure full understanding of the proposal. If clarifications are made because of such discussion, the contractor(s) shall put such clarifications in writing.

D.3. Right to Waive Minor Irregularities

The State reserves the right to waive minor irregularities in the offerors’ responses that do not materially impact mandatory requirements or proposed prices by the offeror. The State also reserves the right to waive non-mandatory requirements where the State deems such waiver to be in the best interests of the State.

D.4. Competitive Negotiations of Offers

- D.4.1.** In accordance with Oklahoma Statutes, Title 74 subsections 85.5 .J(5) and 85.9D.A, the State of Oklahoma reserves the right to negotiate with one, selected few, all, or none of the Offerors responding to this solicitation to obtain the best value for the State. Negotiations could entail discussions on product, services, pricing, contract terminology or any other issue that mitigate the state’s risks. The State will consider all issues to be negotiable and not artificially constrained by internal corporate policies. Negotiation may be with one or more Offerors, for any and all items in the Offeror’s proposal.
- D.4.2.** Offerors that contend it lacks flexibility because of its corporate policy on a particular negotiation item will face a significant disadvantage and may not be considered.
- D.4.3.** Minimum requirements or bids needing substantial clarifications to determine compliance will be eliminated from future consideration or evaluation. Offerors whose bids need minor clarification will be allowed to clarify those points. Only bids meeting all Minimum Requirements will be evaluated further.
- D.4.4.** OSEEGIB reserves the right to consider historical information and facts, whether gained from the Offeror’s proposal question and answer conferences, references, or any other source in the evaluation process.
- D.4.5.** The Offeror is cautioned that it is the Offeror’s sole responsibility to submit information pertinent to the evaluation and that OSEEGIB is under no obligation to solicit such information if it is not included with the RFP. Failure to submit such information may cause an adverse impact on the evaluation of the Proposal.
- D.4.6.** Negotiations may be conducted in person, in writing or by telephone.
- D.4.7.** Negotiations will only be conducted with potentially acceptable proposals. The State reserves the right to limit negotiations to those proposals that received the highest rankings during the initial evaluation phase.
- D.4.8.** Terms, conditions, prices, methodology, or other features of the Offeror’s proposal may be subject to negotiations and subsequent revision. As part of the negotiations, the Offeror may be required to submit supporting financial, pricing, and other data in order to allow a detailed evaluation of the feasibility, reasonableness, and acceptability of the proposal.
- D.4.9.** BEST and FINAL – The state may request best and final offers if deemed necessary, and will determine the scope and subject of any best and final request. However, the Offeror should not expect that the state will ask for best and finals to give the Offeror an opportunity to enhance its proposal. Therefore, the Offeror should submit its best offer based on the terms and conditions set forth in this solicitation.

D.5. Selection Criteria

- D.5.1.** Minimum Requirements
- D.5.2.** Compliance with Special Provisions
- D.5.3.** System Structure and Layout
- D.5.4.** System’s functionality
- D.5.5.** System’s Security
- D.5.6.** Other – Statement of Compliance

D.5.7. Price and Cost

D.6. Evaluation Process

Note: The following evaluation process is not presented in any sequence as any selection process may overlap the other in the evaluation.

D.6.1. Determination of responsiveness and responsibility

A responsive offer is defined as an offer that meets all general mandatory requirements. Responsibility is an assessment of the response and the offeror's ability to perform the contract resulting from this RFP successfully. All solicitation responses received by the solicitation due date and time will be initially reviewed based on the mandatory administrative forms. Offerors that do not fully submit and/or incomplete documents required in this section may be given 24 hours or more, at the State's discretion, from date and time of notification by the State to remedy such oversight. Meeting the requirement outlined above allows the offer to proceed in the evaluation process. Failure to meet the above may result in the proposal being disqualified from further evaluation.

Then, responses will be evaluated based on required information in section [E.11.3](#) tabs 2-5.

D.6.2. Price evaluation

Price will be evaluated and scored based on price proposal in section [E.11.3](#) Tab 6. Total assigning scores will be given to each offeror and the award may be made.

D.6.3. Demonstrations or site visits (Optional)

After the initial evaluation, OSEEGIB may invite selected Offeror(s) to Oklahoma City for discussions and demonstrations or OSEEGIB may request an Offeror site visit to the Offeror's offices. In the event that OSEEGIB selects to proceed with this option, offerors' system will be reviewed and evaluated to justify the award that may occur at this phase or to move forward to the next step.

D.6.4. Negotiation (Optional)

If OSEEGIB determines that one of the proposals is preferred and acceptable, the negotiations with that Offeror may begin. If the Offeror and OSEEGIB cannot conclude this negotiation phase, OSEEGIB may begin negotiations with the next ranked Offeror. If one proposal is not preferred, OSEEGIB may simultaneously negotiate with more than one Offeror.

The successful negotiation with the specific offeror may result in the award of the contract to such offeror.

E. INSTRUCTIONS TO OFFEROR

E.1. Introduction

Prospective contractors are urged to read this solicitation carefully. Failure to do so shall be at the offeror's risk. Provisions, terms, and conditions may be stated or phrased differently than in previous solicitations. Irrespective of past interpretations, practices or customs, offers shall be evaluated and any resultant contract(s) shall be administered in accordance with the plain meaning of the contents hereof. The offeror is cautioned that the requirements of this solicitation can be altered only by written amendment approved by the State and that verbal communications from whatever source are of no effect. In no event shall the offeror's failure to read and understand any term or condition in this solicitation constitute grounds for a claim after contract award.

E.2. Issuing Office

This RFP is issued by the Office of State Finance "OSF" Information Services Division hereinafter referred to "ISD" on behalf of the Oklahoma State and Education Employees Group Insurance Board (OSEEGIB). All proposals must be submitted in accordance with the policies, procedures, requirements (Also see item #5 on page #1 of this solicitation, sections A.2, A.4) and dates set forth in the Schedule of Events. No late proposal will be accepted.

Office of State Finance
Information Services Division
Attn: Gai Hunter, Procurement Specialist
Address: 3115 N. Lincoln Blvd
Oklahoma City, OK 73105

E.3. Restrictions on Communication

From the issue date of this RFP until a successful offeror is selected and the selection is announced, Offerors are not allowed to discuss this RFP with any individuals who were involved in developing this solicitation or are part of this RFP selection process except through the Procurement Specialist named herein unless the discussion is part of the RFP negotiation process or otherwise instructed by the Procurement Specialist. For violation of this provision, the State reserves the right to reject the response of the offending offeror. Questions Regarding the RFP

All questions about this RFP must be directed IN WRITING by way of email to the Procurement Specialist named herein and as date shown in the Schedule of Events. Oral explanations or instructions shall not be binding. Answers to all written questions will be posted on the Office of State Finance Website (www.osf.ok.gov) either as a clarification or as an amendment. If that information is necessary in submitting an offer or if the lack of it would be prejudicial to other offerors, the amendment will be issued. No questions after deadline of question submission will be accepted, reviewed or answered.

Gai Hunter
Email: Gai.Hunter@osf.ok.gov

E.4. Schedule of Events

OSEEGIB reserves the right to alter these dates, issue amendments to this RFP, cancels, or re-issue this RFP at any time for any reason. The Offeror must agree to make any of its facilities available to OSEEGIB if it is determined that an on-site visit would be beneficial and utilized as part of the final evaluation process.

This RFP will be governed by the following schedule:

Content	Date
RFP release	No later than January 19, 2012
Deadline for written questions	January 27, 2012 at 5:00 PM*
Deadline for written answers posted on the Web	No later than February 1, 2012 at 5:00PM*
Deadline for RFP submission	February 21, 2012 at 3:00PM*
Evaluation period	Begin February 22, 2012
Site Visit** or demonstration (Optional)	TBD***
Notice of award	TBD***
Purchase of the system and implementation period	Immediately after date of award

The State of Oklahoma reserves the right to revise the schedule without advance notice.

Note: *Time zone is US Central Time. ** The Offeror must agree to make any of its facilities available to OSEEGIB if it is determined that an on-site visit would be beneficial and utilized as part of the final evaluation process. ***Date to be determined.

E.5. Information from One Offeror Concerning Another is Prohibited

Offerors are advised that OSEEGIB is not interested in, nor will it consider, allegations of lack of qualification or of impropriety made or initiated by any Offeror concerning another Offeror at any point during the competitive bid process. Inclusion of such information in the RFP response or communication of such information to any state officials, state staff or its contractors after proposal submission shall be grounds for disqualification. This clause in no way limits the right to file a protest or appeal under the laws or rules governing the State of Oklahoma.

E.6. Revision to the RFP and/or Responses

- E.6.1.** OSEEGIB may at any time hereafter supplement the RFP, the proposal and the resulting contract for purposes of enumerating, defining, and clarifying services, duties and functions, but not to add new services, duties or functions unless approved by the Office of State Finance .
- E.6.2.** During the evaluation period, the Offerors may be requested to present supplemental information clarifying its proposal. This supplemental information will be requested by ISD and the information must be submitted in writing to ISD and will be included as a formal part of the Offeror's proposal.

E.7. Response Withdrawal

Before the RFP opening date and time, a submitted response may be withdrawn by a written request signed by the offeror to:

Gai Hunter, Procurement Specialist

Email: Gai.Hunter@osf.ok.gov

E.8. Incurred Expenses

OSEEGIB will not be responsible for any costs a proposing Offeror may incur in preparing and submitting a proposal, making an oral presentation, providing a demonstration, or performing any other related activities.

E.9. Proposals Are Subject to Oklahoma Open Records Act

- E.9.1.** To the extent permitted by the Oklahoma Open Records Act, 51 O. S. (2001) § 24A.1-27, the offerors proposals will not be disclosed, except for purposes of evaluation, prior to approval by the CIO of the resulting contract. All material submitted becomes the property of the State of Oklahoma. Proposals will not be considered confidential after a contract is awarded.
- E.9.2.** Proposals are subject to public disclosure in accordance with the Open Records Act. PROPOSALS MARKED, IN TOTAL, AS PROPRIETARY and/or CONFIDENTIAL SHALL NOT BE CONSIDERED.
- E.9.3.** If an offeror believes particular information requested by the RFP for evaluation purposes is proprietary, the offeror shall submit that information separate and apart from its response and mark it Proprietary and Confidential. If ISD in its sole discretion agrees the information is proprietary, ISD will maintain the information as Confidential. If ISD does not acknowledge the information as proprietary, ISD will return or destroy the information with proper notice to the offeror and the evaluation will be completed without consideration of the information marked Proprietary.

E.10. Notification of Award

Notification will be made to the successful Offeror by issuance of a purchase order. Public information releases pertaining to this project shall not be made without prior written approval by OSEEGIB and then only in conjunction with OSEEGIB.

E.11. Proposal Preparation Instructions

E.11.1. Number of Copies

The Offeror must submit an original, eight (8) copies, and one (1) electronic copy on CD in a searchable PDF format allowing full text searches of the Offeror's response language, including exhibits when possible.

E.11.2. Proposal Format

- E.11.2.1.** Proposals shall be prepared in the format described below. Failure to comply with the specified format may lead to an Offeror's proposal being declared non-responsive. OSEEGIB is especially concerned that the format of the proposal sequentially responds to the requested services, Minimum Requirements and other questions that may be addressed within the RFP. The Offeror should restate the service, requirement, or question and then state its response. The Offeror shall assign consecutive page numbers in its response.

E.11.2.2. Appendices should be similarly sequential. Any other information thought to be relevant, but not applicable to the prescribed format, should be provided as appendices to the proposal. If an Offeror offered a publication to respond to a requirement, the response should include references to the publication and page number. Proposals without this reference shall be considered to have no reference materials included.

E.11.2.3. An official copy of the RFP is obtainable only through the ISD.

E.11.2.4. The proposal shall be configured to arrive at the designated office in one physical container (the "Outer Container"). FAX or electronic submissions are not acceptable.

E.11.3. Proposal Contents

Proposals will be reviewed and evaluated by OSEEGIB's Evaluation Committee. In order to ensure a fair, equitable, and timely evaluation by the Evaluation Committee, they must be prepared with tabs delineating each section and use the same headings, categories and sequence as described below.

- Executive Summary
- Tab 1 – Administrative Forms including VPAT Form
- Tab 2 – Minimum Requirements - Offeror's Information and Qualifications
- Tab 3 – Compliance with Special Provisions #B
- Tab 4 – Compliance with Section C - Offeror's Technical Capability
- Tab 5 – Statement of Compliance
- Tab 6 – Price and Cost
- Appendices, if needed

Executive Summary

The Offeror shall submit with its proposal an executive summary no longer than two (2) pages, outlining significant features of the proposal.

Tab 1 – Administrative Forms including VPAT Form

- Complete Responding Bidder Information including related required documentation on this page
- Complete Certification of Competitive Bid and Contract
- Completed Amendment(s), if any
- VPAT form (required to be completed by offerors) Reference: See section A.35. VPAT and Accessibility forms can be found at http://www.ok.gov/DCS/Central_Purchasing/VPAT_&_Accessibility.html or if the link is invalid, follow the navigation: www.ok.gov/dcs > on the left menu, click on "Central Purchasing" > on the right menu under "related topics", click on "VPAT and Accessibility" > click on "VPAT and Accessibility Forms" > Select the appropriate form to be completed.

Tab 2 – Minimum Requirements - Offeror's Information and Qualifications

2.1 Financial Information

The Offeror must demonstrate its financial stability by providing OSEEGIB with copies of audited financial statements for the Offeror's three (3) fiscal years previous to the date of its response. OSEEGIB shall exercise its sole discretion in evaluating such information.

2.2 Experience

The Offeror shall document its experience implementing the System outlined in this RFP at Section C, Solicitation Specifications. The Offeror shall disclose what percentage of its full service book of business would be represented by OSEEGIB if it has or were to have had OSEEGIB as a client in 2011.

2.3 References

Provide contact names of at least three (3) non-affiliated clients for whom the Offeror has implemented a provider contract and credentialing system. Contact details must include: addresses, telephone numbers, email addresses and fax numbers.

2.4 No Commissions

The Offeror must agree to and shall perform all services described in this RFP and the final OSEEGIB/State of Oklahoma contract, strictly according to a fee-for-services basis; that absolutely no commissions or finder's fees shall be paid to anyone or any organization resulting from the State of Oklahoma's contract, either arising from an agreement to pay a commission or finder's fee prior to or during the term of this contract; and, to provide a statement as part of its response to this RFP, and prior to each contract renewal, that absolutely no commissions or finder's fees are to be paid to any subcontractor, broker, agent or other individual, organization or entity.

2.5 Conflict

The Offeror shall disclose any apparent or potential conflict of interest or affirm that it has none. The Offeror shall have no interest, direct or indirect, that could be perceived to conflict in any manner or degree with the performance of services required under this contract. The Offeror shall not engage in any conduct that violates or induces others to violate provisions in the Oklahoma Statutes regarding the conduct of public employees. See: The Anti-Kickback Act of 1974 at 74 O.S. 2001, § 3401, et seq., and the Conflict of Interest provision in the Oklahoma Central Purchasing Act at 74 O. S. 2001, § 85.3.

2.6 Lawsuits and Litigation

- 2.6.1 The Offeror must disclose, unless prohibited by securities laws, any prior lawsuits and litigation violations of administrative rules and hearings, or any lawsuits and litigation threatened or impending, involving itself and the State of Oklahoma or any political subdivisions, and/or any state officer and/or any state employee acting in the capacity of a state employee. The Offeror must disclose any settlements, compromises or Judgments of Record resulting from the foregoing described litigation or administrative proceedings for the past five (5) years or affirm there are none. If the Offeror determines the aforementioned information to be confidential, it shall provide a statement of that fact.
- 2.6.2 The Offeror shall list and disclose contract cancellations or negligent causes of action that arose from work performed that is the same or similar to work identified in the Solicitation Specifications in this RFP that was initiated by persons or entities other than the Offeror and resulted in a settlement with or judgment against the Offeror in any jurisdiction in the United States in an amount of One Hundred Thousand Dollars (\$100,000) or more within the previous five (5) years, or affirm there are none.

Tab 3 – Compliance with Special Provisions #B

The offeror must affirm its understanding of all OSEEGIB special provisions (B.1- B.13), provide information where requested and agree to comply with those provisions for the duration of the contract. Alternative language offered by the offeror shall be considered as to whether it is or is not in the best interest of OSEEGIB and shall be evaluated accordingly. Alternative language shall be listed by the offeror in section G.1 – Statement of Compliance.

Tab 4 – Compliance with Section C - Technical Capability (Reference: Section C.6 thru C.37)

The Offeror shall comply with all requirements in this section. The Offeror must state in its response exactly how it will comply, providing detailed information and stating affirmatively its understanding of the requirement(s). Any alternative solutions offered by the Offeror to the required Solicitation Specifications shall be considered as to whether the alternative solution is or is not in the best interest of OSEEGIB, and shall be evaluated accordingly. Said alternative solutions(s) shall be listed by the Offeror in Section G.1 - Statement of Compliance.

In the event the Offeror proposes an alternative solution to a stated requirement, the Offeror shall explain in detail and provide the potential impact to OSEEGIB. No such alternative solution may be substituted by the Offeror without express written approval of OSEEGIB.

The Supplier should restate the service, requirement, and question and then state its response.

Tab 5 – Statement of Compliance

5.1 Completed Attachment #G.1 – Statement of Compliance

5.2 Completed Attachment #G.2 – Business Associate Agreement

Tab 6 - Price and Cost

Offeror is to provide “Cost of System”, Maintenance Services” and bid validation as described in Section H.

Appendices, if needed

F. CHECKLIST

N/A

G. OTHER

G.1. Attachment #G.1 – Statement of Compliance

- G.1.1.** Certain conditions may preclude the Offeror's strict compliance with a term specified in this RFP. The Offeror may describe its method of compliance to accomplish the requirements of the specific term and OSEEGIB reserves its unrestricted discretion to determine, whether an alternative method offered by the Offeror is acceptable to OSEEGIB.
- G.1.2.** Any alternative method or exceptions or additions to terms, conditions or other requirements in any part of the RFP must be clearly described in both the appropriate section of the solicitation and listed as an attachment to the Statement of Compliance and shall be made a part of this RFP. Otherwise, OSEEGIB shall consider that all items offered are in strict compliance with the RFP and the Offeror shall be responsible for compliance. OSEEGIB shall specify at the time of the awarding of the contract what, if any, optional, alternative methods are accepted.
- G.1.3.** Notwithstanding anything to the contrary, OSEEGIB maintains the unrestricted discretion to make any decision as to suitability, competency, ability to perform, conflicts of interest or the appearance thereof, responsiveness of the Offeror's proposal, acceptability of such proposal, or other decisions concerning qualifications.

Each Offeror shall be required to submit a response to this Request for Proposal as it is written. Any Offeror who wishes to propose exceptions or alternatives to any term, condition, or requirement of this RFP must specify the exception and/or alternative and submit a response for each deviation. If a Statement of Compliance is not returned to OSEEGIB with the Consultant's original bid, the response may be excluded from further consideration. If a Statement of Compliance is submitted with deviations, OSEEGIB will consider such exceptions and/or alternatives in the evaluation process or such exception and/or alternative may constitute grounds for rejection of the proposal.

The solicitation submitted to OSEEGIB is in strict compliance with this RFP, and if selected as a Consultant, the Consultant will be responsible for meeting all requirements of this RFP.

The solicitation submitted to OSEEGIB contains deviations from the specifications of this RFP. The deviations are attached.

Name: _____ Company: _____
Signature: _____ Address: _____
Title: _____
Phone: _____ Fax: _____

G.2. Attachment #G.2 – Business Associate Agreement

The Offeror, as a “Business Associate,” agrees to the following ‘Business Associate Agreement’ between OSEEGIB and the Offeror as defined by the Health Insurance Portability and Accountability Act of 1996 (HIPAA) statutes and regulations.

G.2.1. Definitions

- G.2.1.1.** “Business Associate” shall have the meaning given to Business Associate under the Privacy Rule, including, but not limited to, 45 CFR§ 160.103.
- G.2.1.2.** “Contract” shall mean the definition of contract as defined in Section B.14.
- G.2.1.3.** “Data Aggregation” shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR § 164.501.
- G.2.1.4.** “Designated Record Set” shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR § 64.501.
- G.2.1.5.** “Health Care Operations” shall have the meaning given to such term under the Privacy Rule including, but not limited to, 45 CFR § 164.501.
- G.2.1.6.** “HIPAA” means Health Insurance Portability and Accountability Act of 1996.
- G.2.1.7.** “HITECH” means the Health Information Technology for Economic and Clinical Health Act
- G.2.1.8.** “Individual” shall have the same meaning as the term “individual” as used in 45 CFR § 164.501 and shall include a person who qualifies as a “personal representative” in accordance with 45 CFR § 164.502(g), and shall also mean the person or “individual” who is the subject of information that constitutes PHI, and has the same meaning as the term “individual” as used in 45 CFR § 160.103
- G.2.1.9.** “OSEEGIB” shall have the meaning given to the term ‘Covered Entity’ under the Privacy Rule including, but not limited to, 45 CFR § 160.103 for purposes of this Business Associate Agreement only and to the extent required by law.
- G.2.1.10.** “Privacy and Security Rule” shall mean the HIPAA Regulations codified at 45 CFR Parts 160 through 164.
- G.2.1.11.** “Protected Health Information” or “PHI” means any information, whether oral or recorded in any form or medium: (i) that relates to the past, present or future physical or mental condition of an individual; the provision of health care to an individual; or the past, present or future payment for the provision of health care to an individual; and (ii) that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual, and shall have the meaning given to such term under the Privacy Rule, including, but not limited to, 45 CFR § 160.103 [45 CFR §§160.103]
- G.2.1.12.** “Protected Information” shall mean PHI provided by OSEEGIB to or created or received by the Offeror on OSEEGIB’s behalf.
- G.2.1.13.** “Required by Law” shall have the same meaning as the term “required by law” in 45 CFR §164.103
- G.2.1.14.** “Security Incident” shall have the same meaning as “security incident” in 45 CFR §164.304.

G.2.2. Obligations of the Offeror

- G.2.2.1.** Permitted Uses. The offeror shall not use Protected Information except for the purpose of performing the offeror’s obligations under the Contract and as permitted under the Contract. Further, the offeror shall not use Protected Information in any manner that would constitute a violation of the Privacy Rule if so used by OSEEGIB, except that the offeror shall use Protected Information (i) for the proper management and administration of the offeror, (ii) to carry out the legal responsibilities of the offeror, or (iii) for Data Aggregation purposes for the Health Care Operations of OSEEGIB, and also as permitted in Section (3) of this Business Associate Agreement [45 CFR §§ 164.504(e)]
- G.2.2.2.** Permitted Disclosures. The offeror shall not disclose Protected Information in any manner that would constitute a violation of the Privacy Rule if disclosed by OSEEGIB, except that the offeror shall disclose Protected Information (i) in a manner permitted pursuant to the Contract (ii) for the proper management and administration of the offeror, (iii) as required by law, or (iv) for Data Aggregation purposes for the Health Care Operations of OSEEGIB and as permitted in the Business Associate Agreement. Unless agreed otherwise herein, to the extent that the offeror discloses Protected Information to a third party, the offeror must obtain, prior to making any such disclosure, (i) reasonable assurance from such third party that such Protected Information shall be held confidential and secure and only disclosed as required by law or for the purposes for which it was disclosed to such third party, and (ii) an agreement from such third party to notify the offeror of any breaches of confidentiality or security of the Protected Information, to the extent it has obtained knowledge of such breach. [45 CFR § 164.504(e)]

- G.2.2.3. Appropriate Safeguards.** The offeror shall use appropriate safeguards and train its workforce according to offeror procedures as necessary to prevent the use or disclosure of Protected Information; and ensure the integrity and availability of electronic protected information that the offeror creates, receives, maintains or transmits. The offeror shall implement administrative, technical and physical safeguards that are reasonable and appropriate to the size and complexity of the offeror's operations and the nature and scope of its activities. [45 CFR § 164.504(e)] [45 CFR § 164.306(a)]
- G.2.2.4. Offeror's Agents.** The offeror shall ensure that any agents, including subcontractors to whom it provides Protected Information, agree to the same restrictions and conditions that apply to the Offeror with respect to such PHI. [45 CFR § 164.504(e)(2)(ii)(D)] The offeror shall maintain sanctions against agents and subcontractors that violate such restrictions and conditions and shall mitigate the effects of any such violation. [45 CFR § 164.530(e)(1) and 164.530(f)]
- G.2.2.5. Access to Protected Information.** The offeror shall make Protected Information, maintained in a Designated Record Set by the offeror or its agents or subcontractors, available to OSEEGIB for inspection and copying within ten (10) days of a request by OSEEGIB to enable OSEEGIB to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.524. [45 CFR § 164.504(e)(2)(ii)(E)]
- G.2.2.6. Amendment of PHI.** Within ten (10) days of receipt of a request from OSEEGIB for an amendment of Protected Information in a Designated Record Set or other record about an individual, the offeror or its agents or subcontractors shall make such Protected Information, within its possession, available to OSEEGIB for amendment and incorporate any such amendment to enable OSEEGIB to fulfill its obligations under the Privacy Rule, including, but not limited to, 45 CFR § 164.526. If any individual requests an amendment of Protected Information directly from the offeror or its agents or subcontractors, the offeror must notify OSEEGIB in writing within five (5) days of the request. Any denial of amendment of Protected Information maintained by the offeror or its agents or subcontractors shall be the responsibility of OSEEGIB. [45 CFR § +-164.504(e)(2)(ii)(F)]
- G.2.2.7. Accounting Rights.** The offeror agrees to implement a process to prepare an accounting of a member's Protected Information that is collected and maintained by the offeror and its agents or subcontractors, subject to the exceptions, if any, to enable OSEEGIB to respond to a request for an accounting of disclosures. At a minimum, such information shall include: (i) the date of disclosure; (ii) the name of the entity or person who received Protected Information and, if known, the address of the entity or person; (iii) a brief description of Protected Information disclosed; and (iv) a brief statement of purpose of the disclosure that reasonable informs the individual of the basis for the disclosure, or a copy of the individual's authorization, or a copy of the written request for disclosure. The offeror and its agents or subcontractors shall make the accounting available to OSEEGIB, within a reasonable time or the time allowed by the applicable Privacy Rule, to enable OSEEGIB to fulfill its obligations under the Privacy Rule, as amended. In the event that the request for an accounting is delivered directly to the offeror or its agents or subcontractors, the offeror shall process the request according to the current Privacy Rule (s) as amended, and forward a copy to OSEEGIB.
- G.2.2.8. Governmental Access to Records.** The offeror shall make its internal practices, books and records relating to the use and disclosure of Protected Information available to the Secretary of the U.S. Department of Health and Human Services (the "Secretary") for purposes of determining OSEEGIB's compliance with the Privacy Rule. [45 CFR § 164.504(e)(2)(ii)(H)] The offeror agrees to notify OSEEGIB with the date it provides access to OSEEGIB Protected Information to the Secretary and a general description of any OSEEGIB Protected Information it provides to the Secretary.
- G.2.2.9. Minimum Necessary.** The offeror and its agents or subcontractors shall only request, use and disclose the minimum amount of Protected Information necessary to accomplish the purpose of the request, use or disclosure. [45 CFR § 164.514(d)(3)]
- G.2.2.10. Data Ownership.** The offeror acknowledges that the offeror has no ownership rights with respect to the Protected Information.
- G.2.2.11. Retention of Protected Information.** The offeror and its subcontractors or agents shall transmit the Protected Information described in the Contract to OSEEGIB on a scheduled basis according to Contract terms. The offeror shall maintain all Protected Information that has not been previously transmitted to OSEEGIB for a period of six (6) years after the date it was created or the last effective date, whichever is later or transmit it to OSEEGIB for receipt and storage. [See, 45 CFR §§ 164.530 (j)(1)(2)]

- G.2.2.12.** Notification of Breach. During the term of this RFP, offeror agrees to notify OSEEGIB within three (3) days of discovery of any use or disclosure of PHI not authorized by this agreement or the terms of the Contract, of which the offeror becomes aware. Within thirty (30) days after the date discovered, offeror agrees to report to OSEEGIB the following: the nature of the non-permitted use or disclosure; the OSEEGIB PHI used or disclosed; who made the non-permitted or violating use or received the non-permitted or violating disclosure; what corrective actions offeror has taken or will take to prevent further non-permitted or violating uses or disclosures; and what offeror did or will do to mitigate any deleterious effect of the non-permitted or violating use or disclosure. The offeror shall also notify OSEEGIB of a finding or stipulation that the offeror has violated any standard or requirement of the HIPAA Regulations or other security or privacy laws arising from any administrative or civil proceeding in which the offeror has been joined. The offeror agrees that OSEEGIB and the offeror will investigate an actual breach; however, the offeror shall coordinate with OSEEGIB to control the investigation or any notification procedures related to the incident. Offeror agrees and acknowledges CMS Guidance and special notifications to HHS and the CMS/OSEEGIB Account Representative in the event of a security or privacy breach of Medicare beneficiaries' protected health information.
- G.2.2.13.** With regard to implementation of the HIPAA Security Rule, 45 CFR Part 164, Subpart C, Oklahoma Statute 74 O.S. § 3113.1 and the occurrence of a Security Incident, offeror agrees to report to OSEEGIB any successful (i) unauthorized access, use, disclosure, modification, or destruction of OSEEGIB electronic PHI or (ii) interference with offeror system operations that contain OSEEGIB member information of which offeror becomes aware. Offeror shall make such report to the OSEEGIB HIPAA Security Officer immediately after offeror learns of any successful Security Incidents. To avoid unnecessary burden on either party, offeror will only be required to report, upon OSEEGIB's request, attempted, but unsuccessful unauthorized access, use, disclosure, modification, or destruction offeror electronic PHI or interference with system operations in offeror information systems that involve OSEEGIB electronic PHI of which offeror becomes aware, provided that OSEEGIB's request shall be made no more often than is reasonable based upon the relevant facts, circumstances and industry practices.
- G.2.2.14.** Audits, Inspection and Enforcement. Upon request, the offeror agrees that OSEEGIB or its designee, shall conduct a reasonable inspection of offeror facilities, systems, books, records, policies and procedures relating to the use or disclosure of Protected Information pursuant to the Contract for the purpose of determining whether the offeror has complied with HIPAA; provided, however, that (i) the offeror and OSEEGIB shall mutually agree in advance upon the scope, timing and location of such an inspection, (ii) OSEEGIB shall protect the confidentiality of all confidential and proprietary information of the offeror to which OSEEGIB has access during the course of such inspection; and (iii) OSEEGIB shall execute a nondisclosure agreement, upon terms mutually agreed upon by the parties, if requested by the Offeror. The fact that OSEEGIB inspects, or fails to inspect, or has the right to inspect, the Offeror's facilities, systems, books records, policies and procedures does not relieve the Offeror of its responsibility to comply with these terms of the Contract between offeror and OSEEGIB. OSEEGIB's failure to detect deficiencies or failure to notify the 2 or require the MAPA's remediation of any unsatisfactory practices does not constitute acceptance of such practices or a waiver of OSEEGIB's enforcement rights under the Contact between offeror and OSEEGIB.
- G.2.3.** Special Uses and Disclosures
- G.2.3.1.** Offeror shall create, receive, use, or disclose PHI related to OSEEGIB Plan members only in a manner that is consistent with the terms of the Contract and the Privacy Rule, and only in connection with providing the services to OSEEGIB that are related to the administration of prescription drug benefits and/or identified in the Contract. Offeror shall de-identify OSEEGIB PHI, provided offeror complies with 45 CFR §164.514(b); does not violate the Privacy Rule if done by OSEEGIB; and the offeror provides written assurances to OSEEGIB regarding use and disclosure of the de-identified data.
- G.2.3.2.** Offeror shall, consistent with the Privacy Rule, use or disclose PHI that a Business Associate receives in its capacity as manager of prescription drug benefits and in its capacity as a Business Associate to OSEEGIB if such use relates to the proper management and administration of the Business Associate or to carry out legal responsibilities of the Business Associate under the RFP. "Legal responsibilities" of the Business Associate used herein shall mean responsibilities imposed by law or regulation, but (unless otherwise expressly permitted by OSEEGIB) shall not mean obligations the offeror shall assume pursuant to contracts, agreements, or understandings other than the terms of the Contract.
- G.2.3.3.** Offeror shall engage in "data aggregation services" related to OSEEGIB in a manner permitted by the Privacy Rule at 45 CFR § 164.504(e)(2)(i)(B) and that complies with the terms of the Contract. "Data aggregation services" as used herein shall mean the combining of PHI by offeror with PHI received by the offeror in its capacity as a Business Associate of another covered entity, to permit analysis of data that relates to the health care operations of OSEEGIB or another covered entity.
- G.2.3.4.** Offeror shall use PHI to report violations of law to appropriate federal and state authorities, consistent with 45 CFR § 164.502.

- G.2.3.5.** Any right of the offeror to create, use, or disclose PHI pursuant to this Agreement shall not include the right to 'de-identify' or aggregate PHI, except as provided for in this Business Associate Agreement or as expressly permitted by OSEEGIB or the Privacy Rule, provided that such use or disclosure would not violate the Privacy Rule if done by OSEEGIB.
- G.2.4.** Obligations of OSEEGIB
- G.2.4.1.** OSEEGIB shall be responsible for using appropriate safeguards to maintain and ensure the confidentiality, privacy and security of PHI transmitted to the offeror pursuant to this RFP, in accordance with the standards and requirements of the Privacy and Security Rules, until such PHI is received by the offeror.
- G.2.4.2.** OSEEGIB shall notify offeror of any limitation(s) in its notice of privacy practices of OSEEGIB in accordance with 45 CFR § 164.520, to the extent that such limitations shall affect offeror use or disclosure of PHI, and shall also notify offeror of any material change in privacy practices and procedures of OSEEGIB.
- G.2.4.3.** OSEEGIB shall notify offeror of any changes in, or revocation of, permission by an Individual to use or disclose PHI to the extent such changes shall affect offeror use and disclosure of PHI.
- G.2.4.4.** OSEEGIB shall notify offeror of any restrictions in the use or disclosure of PHI that OSEEGIB has agreed to in accordance with 45 CFR § 164.522, to the extent such restriction shall affect offeror use or disclosure of PHI. Prior to agreeing to any restriction, OSEEGIB will consult with offeror regarding whether the proposed restriction will affect its functions, activities, or services under the Contract.
- G.2.4.5.** If OSEEGIB or offeror receives a request from an Individual for confidential communication of PHI by alternative means or at alternative locations in accordance with 45 CFR 164.522(b), both OSEEGIB and offeror will accommodate the request to the extent feasible
- G.2.4.6.** OSEEGIB shall not request offeror to use or disclose PHI in any manner that would not be permissible under the Privacy Rule if such use or disclosure were made by OSEEGIB.
- G.2.5.** Termination
- G.2.5.1.** Material Breach. A breach by the offeror of any material provision of the terms of the Business Associate Agreement Section of the Contract shall constitute a material breach of the Contract and provide grounds for immediate termination of the Contract by OSEEGIB pursuant to Termination Section of the Contract. [45 CFR § 164.504(e)(2)(iii)]
- G.2.5.2.** Reasonable Steps to Cure Breach. If OSEEGIB knows of a pattern of activity or practice of the offeror that constitutes a material breach or violation of the offeror's obligations under the provisions of the terms of the Business Associate Agreement Section, OSEEGIB shall provide offeror with an opportunity to cure the breach and end the violation. If offeror does not cure the breach with ninety (90) days after OSEEGIB notifies offeror of the opportunity to cure, then, within the sole discretion of OSEEGIB, OSEEGIB shall take reasonable steps to cure such breach or end such violation, as applicable. If OSEEGIB's efforts to cure such breach or end such violation are unsuccessful, OSEEGIB shall either (i) terminate the Contract, if feasible or (ii) if termination of this the Contract is not feasible, OSEEGIB shall report the offeror's breach or violation to the Secretary of the Department of Health and Human Services. [45 CFR § 164.504(e)(l)(ii)]
- G.2.5.3.** Compliance with the HITECH Act. Sections 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards), and 164.316 (policies and procedures and documentation requirements) of title 45, Code of Federal Regulations the Security Rule, shall apply to a Business Associate in the same manner that such sections apply to a Covered Entity. The additional requirements of Title XXXIII of the "Health Information Technology for Economic and Clinical Health Act" or the "HITECH Act" contained in Public Law 111-005 that relate to security and that are made applicable with respect to covered entities shall also be applicable to a Business Associate and shall be and by this reference hereby are incorporated into this Business Associate Agreement.
- G.2.5.4.** Business Associate shall use and disclose Protected Health Information that a Business Associates obtains or creates only if such use or disclosure, respectively, is in compliance with each applicable requirement of Section 164.504(e) of Title 45, Code of Federal Regulations, the Privacy Rule, relating to business associate contracts. The additional requirements of Subtitle D of the "Health Information Technology for Economic and Clinical Health Act" or the "HITECH Act" contained in Public Law 111-005 that relate to privacy and that are made applicable with respect to covered entities shall also be applicable to Business Associate and shall be and by this reference hereby are incorporated into the Business Associate Agreement. Business Associate agrees that HIPAA and HITECH civil and criminal penalties for data security and privacy violations apply to Business Associate when acting on behalf of OSEEGIB to the extent the penalties apply to OSEEGIB.

G.2.5.5. Effect of Termination. Upon termination of the terms of the Business Associate Agreement for any reason, the offeror shall return all OSEEGIB Protected Information to OSEEGIB that the offeror or its agents or subcontractors still maintain in any form according to paragraph B.3 of the RFP.

Name: _____ Company: _____
Signature: _____ Address: _____
Title: _____
Phone: _____ Fax: _____

H. PRICE AND COST

All implementation, training and conversion services required in this RFP are all-inclusive. The Offeror shall not charge additional fees to OSEEGIB, including, but not limited to line charges, and upgrades and new releases. Additional services the Offeror intends to provide OSEEGIB, which are included in the fees quoted in the response to this RFP, should be described in the Offeror's response. Additional services the Offeror intends to provide OSEEGIB, and which are not included in the fees quoted, shall be itemized in the Offeror's financial proposal.

In accordance with Oklahoma State Statutes, OSEEGIB shall compensate the Offeror on a monthly basis for maintenance services that have been performed over the preceding month, pursuant to the terms of this contract. All invoices and payments of invoices are subject to subsequent adjustments based upon proper documentation.

H.1. Cost of System

H.1.1. The Offeror must quote the cost of the complete system, implementation, training and maintenance services as described in the RFP. If the Offeror is offering more than what is required by the RFP, the additional offering shall be fully described and attached to the Statement of Compliance and shall be priced separately if additional costs would be incurred if OSEEGIB accepts the additional functionality or services being offered.

OSEEGIB will pay the Offeror for the cost of the system upon completion of the following milestones:

H.1.1.1. License is provided and all parties have agreed and signed; and

H.1.1.2. Implementation is complete and all parties have agreed to the completion; and

H.1.1.3. Data Conversion is complete and all parties have agreed to the completion; and

H.1.1.4. Training of OSEEGIB staff is complete and all parties have agreed to the completion.

H.1.2. The Offeror must define all costs associated with the purchase of the system, implementation, training, line charges, upgrades, new releases and maintenance thereafter.

Cost of the System \$ _____

Annual maintenance:

2012	2013	2014	2015	2016
_____	_____	_____	_____	_____

H.2. Bid Validation

H.2.1.1. Provide detailed documentation demonstrating how the financial proposal was determined, including the specific elements and methodology of the bid, assumptions used in pricing elements of the bid and the inflation factor used for each year of the contract.

H.2.1.2. How does the Offeror propose to profit from this contract?

H.2.1.3. If the Offeror is offering services that are not included in the administration fee, identify those services separately and the fees associated thereto.