



**California Health Benefit Exchange  
HBEX 24: Project Management Oversight, Small  
Business Health Options Program (SHOP)**

**April 9, 2013**

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## 1. INTRODUCTION

### 1.1 Overview

You are invited to review and respond to this Request for Proposal (RFP). To submit a proposal to provide the requested services, you must comply with the instructions contained in this document as well as the requirements stated in the Scope of Work (SOW), Contractor Response Guidelines, and Attachment 2-D: Cost Worksheet. By submitting an offer, your company agrees to the terms and conditions stated in this RFP.

***This is a time and materials-based, fixed price contract for Project Management Oversight consulting services only.***

Read this document carefully. Responses to this RFP must be submitted to the California Health Benefit Exchange (Covered California) contact noted in Section 1.3 below.

### 1.2 Key Dates

Contractors are advised of the key dates and times shown below and are expected to adhere to them. All times noted in this document are Pacific Standard Time (PST).

#### KEY ACTION DATES

<b>Request for Proposal Release Date:</b>	<b>April 9, 2013 before 4PM</b>
<b>Questions Due Date:</b>	<b>April 11, 2013 by noon</b>
<b>Response to Questions Due Date:</b>	<b>April 12, 2013 by 4PM</b>
<b>Proposals Due Date:</b>	<b>April 19, 2013 by 4PM</b>
<b>Notice of Intent to Award</b>	<b>April 23, 2013 by 4PM</b>
<b>Estimated Term Dates:</b>	<b>May 1, 2013 through April 30, 2014</b>

### 1.3 Contact

Kelly Long  
California Health Benefit Exchange  
E-mail address: [hbexsolicitation@covered.ca.gov](mailto:hbexsolicitation@covered.ca.gov)

560 J Street, Suite 290  
Sacramento, CA 95814

Four copies of the Final Proposal are due by the stated deadline to the contact at the mailing address indicated in Section 1.3.

#### **1.4 Contract Engagement Period**

The term of this contract is May 1, 2013 through April 30, 2014.

#### **1.5 Contract Amount**

Responses shall not exceed \$500,000 in total costs. Responses that exceed \$500,000 will not be considered for selection.

#### **1.6 Bidder's Questions**

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

#### **1.7 Submission of Final Proposals**

1. Preparation: Proposals are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this RFP. Expensive bindings, colored displays, promotional materials, etc., are not necessary or desired. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and completeness and clarity of content.
2. Bidder's Cost: Costs for developing proposals or attending Bidder conferences are entirely the responsibility of the Bidder and shall not be chargeable to Covered California.
3. Completion of Proposals: Proposals must be complete in all respects as described in the requirements established within the RFP. A Final Proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. A Final Proposal must be rejected if any such defect or irregularity constitutes a material deviation from the RFP requirements. The Final Proposal must contain all items required in the RFP.
4. False or Misleading Statements: Proposals which contain false or misleading statements, or which provide references which do not support an attribute or condition claimed by the Bidder, may be rejected. If, in the opinion of Covered California, such information was intended to mislead Covered California in its

evaluation of the proposal, and the attribute, condition, or capability is a requirement of this RFP, it will be the basis for rejection of the proposal.

Issuance of this RFP in no way constitutes a commitment by the State of California to award an agreement. Covered California reserves the right to reject any or all offers received if Covered California determines that it is in Covered California's best interest to do so. Covered California may reject any offer that is conditional or incomplete. Assumptions made by the Bidder in responding to this RFP do not obligate Covered California in any way. Additionally, assumptions may make the offer conditional and be cause for the offer to be rejected. Responses to this RFP will be assessed based on determining the "Best Value" and the selection, if made, will be to a single Bidder. The SOW and the offer will be made a part of the resulting Agreement.

## 1.8 Format of Proposals

This RFP requires Bidder(s) to submit a final phase proposal(s) that shall contain all required Administrative and Technical Attachments and Exhibits and submitted in a sealed envelope/container when shipped to Covered California by the dates and times shown in Section 1.2 Key Dates. The sealed package must be plainly marked with the (1) RFP number and title, (2) firm name and address, and (3) must be marked with "DO NOT OPEN", as shown in the following example:

**RFP HBEX 24**  
**Project Management Oversight, Small Business Health Options Program (SHOP)**  
**Attention: Kelly Long**  
**California Health Benefit Exchange**  
**560 J Street, Suite 290**  
**Sacramento, CA 95814**

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

Bidder shall submit a minimum of four (4) sets of copies for all Administrative/Technical Attachments and Exhibits in the sealed Envelope/Container. In the bidder's best interest, one (1) set should be titled as being the Master copy and the remaining three (3) as additional copies. Bidder shall also provide a CD ROM with the appropriate Administrative and Technical Attachments and Exhibits in searchable text format (e.g., Word, searchable PDF). Each copy shall be titled and unbound including the additional copies.

**Bids not submitted under sealed cover will be rejected.**

## 1.9 Rejection of Proposals

Deviations, whether or not intentional, may cause a proposal to be non-responsive and not considered for award. Covered California may reject any or all proposals and may waive any immaterial deviation or defect in a proposal. Covered California's waiver of

any immaterial deviation or defect shall in no way modify the RFP documents or excuse the Bidder from full compliance with the RFP specifications if awarded a contract. **FINAL PROPOSALS NOT RECEIVED BY THE DATE AND TIME SPECIFIED IN SECTION 1.2 KEY ACTION DATES OR NOT SEALED, WILL BE REJECTED.**

### 1.10 Errors in Final Proposals

An error in the Final Proposal may cause the rejection of that proposal; however, Covered California may, **AT ITS SOLE OPTION**, retain the proposal and make certain corrections. In determining if a correction will be made, Covered California will consider the conformance of the proposal to the format and content required by the RFP, and any unusual complexity of the format and content required by the RFP.

1. If the Bidder's intent, as determined by Covered California, is clearly established based on review of the complete Final Proposal submittal, Covered California may at its sole option correct an error based on that established intent.
2. Covered California may at its sole option correct obvious clerical errors.
3. Covered California may at its sole option correct discrepancy/errors on the basis that if intent is not clearly established by the complete Final Proposal submittal, the Master Copy shall have priority over additional copies.
4. A bidder may modify a bid after submission by withdrawing its original bid and resubmitting a new bid prior to the bid submission deadline. Bidder modifications offered in any other manner, oral or written, will not be considered.
5. A bidder may withdraw its bid by submitting a written withdrawal request to Covered California, signed by the bidder or an authorized agent. A bidder may thereafter submit a new bid prior to the bid submission deadline. Bids may not be withdrawn without cause subsequent to bid submission deadline.
6. Covered California may modify the RFP prior to the date fixed for submission of bids by the issuance of an addendum to all parties.
7. Covered California reserves the right to reject any/all bids. Covered California is not required to award an agreement.
8. Before submitting a response to this solicitation, bidders should review, correct all errors, and confirm compliance with the RFP requirements.
9. All proposals must be based on the Model Contract provided with this solicitation (Scope of work provided in Section 3, and contract General Terms and Conditions provided in Attachment 2). Proposing vendors must submit as part of their response any exceptions to the Model Contract that they wish to negotiate. Vendor exceptions must be documented in an attachment labeled "Proposal Contract Exceptions." All Model Contract exceptions must be included in the Vendor Proposal at the time of its submission. No additional exceptions may be presented during contract negotiations.

10. No oral understanding or agreement shall be binding on either party.

### 1.11 Protest

A protest may be submitted according to the procedures set forth below. If a vendor has submitted a proposal which it believes to be totally responsive to the requirements of the solicitation process and believes the proposer should have been selected, according to Section 6.3 - Evaluation Criteria, and the proposer believes Covered California has incorrectly selected another proposer for the award, the proposer may submit a protest of the selection as described below. Protests regarding selection of the “successful proposer” will be heard and resolved by Covered California’s Executive Director.

All protests must be made in writing, signed by an individual who is authorized to contractually bind the proposer, and contain a statement of the reason(s) for protest, citing the law, rule, regulation, or procedures on which the protest is based. The protester must provide facts and evidence to support their claim. Certified or registered mail must be used unless delivered in person, in which case the protester should obtain a receipt of delivery. The final day to receive a protest is five (5) business days after vendor selection. Protests must be mailed or delivered to:

<b>Mailing Address:</b>
California Health Benefit Exchange
Attn: Peter Lee, Executive Director
560 J Street, Suite 290
Sacramento, CA 95814

### 1.12 Disposition of Bids

Upon bid opening, all documents submitted in response to this RFP will become the property of the State of California, and subject to Government Code 100508, at Covered California’s sole discretion, may be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.

### 1.13 Agreement Execution and Performance

Performance shall start no later than the express date set forth in the RFP by Covered California after all approvals have been obtained and the agreement is fully executed. Should the Contractor fail to commence work at the agreed upon date and time, Covered California, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to Covered California for the difference between Contractor’s bid price and the actual cost of performing work by the second lowest bidder or by another contractor.



All performance under the agreement shall be completed on or before the termination date of the agency contract agreement.

## **2. MINIMUM QUALIFICATIONS**

### **2.1 Respondent's Minimum Qualifications**

The individual or entity identified in this Statement of Work must have the following skills and experience:

1. Minimum of five (5) years of experience in Project management support and oversight
2. Project Management Certification (PMP)
3. Business Management with California State Agencies
4. Existing Federal laws and regulations related to healthcare including, but not limited to the Federal Affordable Care Act (ACA)
5. Existing California laws and regulations related to the implementation of healthcare, including, but not limited to, the California Patient Protection and Affordable Care Act

### **2.2 Reassignment of Personnel**

1. The Contractor shall not reassign personnel assigned to the Agreement during the term of the Agreement without prior written approval of Covered California. If a Contractor employee is unable to perform duties due to illness, resignation, or other factors beyond the Contractor's control, the Contractor shall make every reasonable effort to provide suitable substitute personnel.
2. Substitute personnel shall not automatically receive the hourly rate of the individual or position being replaced. Covered California and the Contractor shall negotiate the hourly rate of any substitute personnel to the Agreement. The hourly rate negotiated shall be dependent, in part, upon the experience and individual skills of the proposed substitute personnel. The negotiated rate cannot exceed the hourly rate stated in the Agreement.

### **2.3 Requirement to File a Statement of Economic Interests**

1. In accordance with Title 2, California Code of Regulations, Section 18701, the Contractor is required to complete a Statement of Economic Interests (Form 700) on an annual basis <http://www.fppc.ca.gov/index.php?id=500>
2. Contractor's Contract Manager and any professional-level employees and/or subcontractors engaged in performing the consulting tasks described in this Agreement shall complete and submit a Form 700 to Covered California Contract Manager.

3. On an annual basis during the term of this Agreement, the Contractor and the same individual and any new professional-level personnel or subcontractor must complete and return a new Form 700. All subsequent forms must be received before the expiration of the initial Form 700. Noncompliance shall be cause for termination of this Agreement.

### **3. SCOPE OF WORK**

#### **3.1 Statement of Purpose**

The purpose of this contract is to provide Covered California with a qualified firm to provide project management support services and oversight for the Small Business Health Options Program (SHOP). Ideally, this would take the form of a Project Management Office (PMO). The PMO team would provide day-to-day project oversight and management support in order to stand-up the implementation phase and operation of the SHOP.

Experienced Consultant will provide project management support services in the following areas:

- Project management support and oversight;
- Business analysis and user acceptance testing;
- Policy and Procedures;
- Operational Readiness;
- Procurement Support Services; and
- Contract Management Support Services.

Covered California reserves the right to retain the services of the organization resulting from this RFP to assist with other relative activities and related projects embarked upon by Covered California during the established contract period, or through a contract amendment.

Read this document carefully. Responses to this RFP must be submitted to Covered California contact noted in Section 1.3.

#### **3.2 Background**

Under the Affordable Care Act (ACA), California received a Level 2 Establishment grant to support Covered California planning and implementation activities. Covered California was created to improve the health of all Californians by assuring their access to affordable high quality health care. Covered California is developing a marketplace specifically designed for small businesses with 50 or fewer full-time equivalent employees.

### 3.3 Reference Documents

For additional information about the Covered California and previous solicitations, please visit: <http://www.healthexchange.ca.gov/Pages/Default.aspx>

### 3.4 Project Tasks

The following are tasks and deliverables for the purpose of Contractor proposal development. The Contractor shall provide the services necessary to perform the following tasks and provide the following deliverables in support of the successful completion of SHOP implementation. This most likely will include working onsite at the SHOP Vendor's office which is located in Irvine, CA. The Contractor shall make use of the knowledge and experience of its staff, along with tracking, monitoring, and other information gathering. The Contractor is expected to include any additional tasks/deliverables required to deliver successful implementation of SHOP.

Covered California will provide the Contractor with a Covered California Project Manager who will serve as the Contractor's primary point of contact on contract-related issues. The Contractor will work closely with Covered California's Management Team and other staff or contractors responsible for the successful implementation of SHOP.

#### **Task 1: OVERSIGHT AND PROJECT MANAGEMENT SUPPORT RESPONSIBILITIES**

1. Develop, within fifteen calendar days, an initial Project Management Plan for SHOP implementation, integrating and in coordination with, the CALHEERS system and SHOP Vendor (3rd Party Administrator). This plan shall focus on SHOP operational readiness and include, but not limited to: Strategy, Governance, Product, Policy, Regulatory, Sales and Marketing, Agents, and Customer Service and Financial Management Systems. In addition, it should include workflow, time-line, tasks, resources, estimated hours, and expected work products to be produced. This plan shall serve as the SHOP Implementation Plan and subject to regular review and adjustment depending upon, among other factors, the performance system integration and the emergence of risks and issues throughout the life of the project.
2. Provide project management services and all standard Project Management processes (e.g., risk management, issue management, quality assurance, change management, resources management, and configuration management). This could result in working onsite at the SHOP Vendor which is located in Irvine, CA.
3. Maintain project schedule and other components of the Project Management Plan to ensure that they are correct and up to date at all times, including plan modifications and effectiveness.
4. Develop, subject to HBEX management approval, an approach to communications, including status reporting, protocols for interaction with project stakeholders, and reporting of risks, issues and other findings, conclusions and recommendations.
5. Maintain effective and timely communication with State project management, in addition to the formal status reporting process. The Consultant shall develop

- findings, conclusions and recommendations continuously for the duration of SHOP implementation. Oral and written reports shall be made to Covered California management, as appropriate, to ensure timely and effective management of technical issues and risks. It shall be the responsibility of the Consultant to inform Covered California management in a timely manner of all matters material to the successful completion of SHOP. Concise discussion memoranda, issue papers, review and assessment reports and other work products shall be prepared on specific topics if and when requested by Covered California management.
6. Develop and maintain a management “dashboard” using metrics of SHOP performance including, but not limited to, cost, schedule, quality, risks and issues to highlight items needing management attention or action.
  7. Provide monthly comprehensive written status reporting. Written status reporting shall include, but not necessarily be limited to descriptive coverage of:
    - a. Project schedule identifying expected milestones/deliverables with a comparison to the approved baseline schedule and explanation for any variances;
    - b. Status of the project with an evaluation of the project’s adherence to scope, schedule, quality, standards, methods and tools, resources and budget, with an explanation for any variances;
    - c. Report on “dashboard” indicators;
    - d. Issues and risks identified during the reporting period, including recommendations for resolving each issue and risk, and the potential impact to the project if the issues and risks are not resolved;
    - e. An assessment of implementation progress, including probability of meeting/completing project milestones/deliverables for each reporting period and adherence to the project scope, schedule, quality, resources and budget;
    - f. Consultant staff loading plans for the upcoming three months and recommendations for adjustments or redirection of staff, if applicable;
  8. Maintain issue logs and ensure roles and responsibilities regarding issue resolution are clear. The PMO must attempt to resolve issues at the lowest level and elevate issues for resolution if needed.
  9. Perform independent risk and issue management to identify interdependencies, critical risks, and issues. The Consultant shall provide an independent executive-level perspective on all aspects of SHOP Operational Readiness and shall identify and facilitate early resolution of material project issues and risks.
  10. Review and provide recommendation for changes to all Management Plans prepared by SHOP Vendor (3rd Party Administrator), including but not limited to, Project Management Plan, Project Timeline, Risk Management Plan, Change Management Plan, Requirements Management Plan, and Communication Plan.
  11. Provide support services in the area of Contract Management processes and procedures. This could include, but not limited to, monitoring progress and schedules, approving invoices/payments, deliverables, materials and budget.

12. Develop, continually monitor, and provide updates to the Work Breakdown Structure (WBS) throughout the life of the project.
13. Participate in any necessary procurement activities in an advisory/consulting capacity. This could include managing the procurement responses, develop evaluation criteria, and manage post-award tasks for multiple SHOP-related procurements within Covered California.
14. Continuously monitor and assess the application and use of standards, methods and tools used in the life of the project.
15. Ensure effective and efficient coordination of project management activities. The Consultants shall work collaboratively with Covered California management to ensure that project management activities are conducted in a coordinated manner and that alignment of standards, methods and tools is maintained to the greatest extent possible.
16. Continuously monitor, assess and evaluate processes, procedures, controls, key deliverables and other artifacts of SHOP performance for appropriate quality attributes, including as applicable, effectiveness, contract compliance, adherence to applicable standards, traceability, consistency, completeness and accuracy.
17. Attend and participate in regularly scheduled meetings and ad hoc meetings with SHOP staff, Covered California management, and stakeholders.
18. Participate in planning and business process sessions and assist with user acceptance testing and scheduling where needed.
19. Assist in the development and processing of any necessary control agency and Board documents. The Consultant shall assist in the development of responses to questions about these documents that may be submitted by control agencies.

### **3.5 Contract Completion Criteria**

This contract will be considered complete when Covered California's Project Manager has approved and accepted all assigned deliverables.

### **3.6 Deliverable Acceptance Criteria**

All concluded work must be submitted to Covered California for review and approval or rejection. It will be Covered California's sole determination as to whether a deliverable has been successfully completed and is acceptable.

Throughout the contract, Covered California will review and validate deliverables prior to final acceptance. In addition, Covered California's Project Manager will verify and approve the Contractor's deliverable invoices. Signed acceptance is required from Covered California Project Manager to approve an invoice for payment.

Deliverable acceptance criteria consist of the following:

1. Deliverable specific work was completed as specified and the final deliverable product/service was rendered.
2. Plans, schedules, designs, documentation, and reports (deliverables) were completed as specified and approved.
3. All deliverable documentation and artifact gathering have been completed.
4. All deliverables are in a format useful to Covered California.
5. If a deliverable is not accepted, Covered California will provide the reason, in writing, within ten (10) business days of receipt of the deliverable.

### **3.7 Contractor Minimum Requirements**

#### **3.7.1 Contractor Qualifications**

Contractors must demonstrate the minimum qualifications included in Section 2.1 of this solicitation.

#### **3.7.2 Engagement Team Qualifications**

Contractor must demonstrate that staff assigned to the project possess the experience, education, knowledge, and skills required to perform the SOW described in this RFP.

Covered California is seeking a team with experience and knowledge of, or experience in, the process outlined in the Scope of Work. Every member of the proposed Engagement Team must possess knowledge and understanding of:

- Project management support and oversight;
- Business analysis and user acceptance testing;
- Policy and Procedures;
- Operational Readiness;
- Procurement Support Services; and
- Contract Management Support Services.

### **3.8 Contractor Roles and Responsibilities**

The Contractor is expected to:

1. Designate a person to whom all project communications may be addressed and who has the authority to act on all aspects of the contract for services. This person will be responsible for the overall project and will be the contact for all invoice and Contractor staffing issues.
2. Provide written reports for review and approval by Covered California and formally respond to Covered California review findings as necessary.
3. The Contractor will make its best efforts to maintain staff continuity throughout the life of the project. If, however, a substitution becomes

necessary, the Contractor must submit a resume for review, in advance, of all proposed personnel substitutions. All Contractor personnel substitutions must be approved in writing by Covered California's Project Manager. Failure to receive the required approvals may result in termination of the contract.

### 3.9 Covered California's Roles and Responsibilities

Covered California will:

1. Designate Covered California contact person (Project Manager) to whom all Contractor communications may be addressed and who has the authority to act on all aspects of the services. This person will review the agreement and associated documents with the Contractor to ensure understanding of the responsibilities of both parties.
2. Provide access to business and technical documents as necessary for the Contractor to complete the tasks identified in this RFP.
3. Ensure appropriate resources are available to perform assigned tasks, attend meetings, and answer questions.
4. Ensure that decisions are made in a timely manner.
5. Provide work areas and meeting rooms as needed, including a desk and chair, internet connection, and access to printer, copier, and fax services.
6. Identify and provide access to Subject Matter Experts to assist with the elaboration of technical requirements, including any stakeholder groups providing input on health plan management and benefit plan design issues.

### 3.10 Project Assumptions and Constraints

1. The Contractor's work hours must be consistent with Covered California's key staff on-site. Covered California's normal business hours are 8:00 AM to 5:00 PM PST, Monday through Friday, except for standard holidays.
2. **No overtime rates will be authorized.**
3. Any modifications to tasks within the SOW of this contract will be defined, documented, and mutually agreed upon by the Contractor and Covered California's Project Manager prior to starting work on the modified task. Amendments to the contract for tasks within the SOW are limited to an extension of time or tasks directly related to solicitation management as outlined in this SOW.
4. Covered California's Project Manager reserves the right to renegotiate the services deemed necessary to meet the needs of this project according to



Covered California's priorities. Covered California and the Contractor must mutually agree to all changes. Renegotiated services outside the scope of the original contract will require contract amendment prior to commencement of work.

5. Covered California and the Contractor are mutually obligated to keep open and regular channels of communication in order to ensure the successful execution of this contract. Both parties are responsible for communicating any potential problem or issue to Covered California's Project Manager and the Contractor's engagement manager, respectively, within 48 hours of becoming aware of the problem.

### **3.11 Contract Amendment**

Covered California may, at its discretion, extend the term of the contract for up to two (2) additional six (6) month extensions. If mutually agreed upon by the State and the Contractor, this Agreement shall be amended to include additional services and funding.

### **3.12 Travel**

The Exchange will reimburse the Contractor at the rates in use by the State of California for its represented employees. Receipts will be required. Any travel deemed necessary for the project must be approved in advance by the Project Manager. This contract may have occasional travel to the SHOP Administrator's Office in Irvine, CA.

The cost of any travel must be included as a separate line item on the Cost Worksheet submitted with the Contractor's Offer.

### **3.13 Reporting Headquarters Location**

The Contractor is required to perform all services under this Agreement on site at the Covered California's office in Sacramento, unless directed otherwise by the project representative listed in this Exhibit. Covered California's office is located at 560 J Street, Suite 290, Sacramento, CA 95814. Travel for reporting to this Headquarters location shall not be reimbursed.

### **3.14 Payment and Invoicing**

Payment to Contractor is contingent upon Covered California's receiving funding from the Federal government. Covered California shall bear no liability or responsibility for payment to Contractor, even for services provided and delivered, in the event payment to Covered California from the Federal government is delayed, suspended, or terminated.



Payment to the Contractor will be contingent upon final approval of services rendered.. The hours projected for each identified task will be used to assess the reasonableness of the Contractor's Offer. The Contractor may invoice Covered California only after the successful completion and acceptance of services rendered. The Contractor may not invoice Covered California for any costs exceeding the maximum amount of the final contract.

#### 4. PROPOSAL RESPONSE CONTENT

Final proposal requirements are contained in the following areas that are described in detail in subsequent sections of this document:

1. Administrative Requirements
  - a. Payee Data Record
  - b. Darfur Certification
  - c. Confidentiality Statement
  - d. Form 700 Certification
2. Understanding and Approach
3. Corporate Qualifications Summary
4. Staff Experience
  - a. Staff Resumes
5. Project Management and Approach
6. Assumptions
7. Updated Model Contract
  - a. Using the Exhibit A template (Attachment 2-B), include revised Exhibit A with updated Statement of Work
    - i. Understanding and Description of the Tasks to be Performed (Work Plan)
  - b. Costs: Include revised Exhibit B with Cost Worksheet (Attachments 2-C and 2-D)
  - c. Include Exhibits C, D, and E (Attachment 2-E through G) with track changes to Terms and Conditions. Submission of these Exhibits without track changes implies an acceptance to those Terms and Conditions.

##### 4.1 Proprietary Information

Any documentation submitted which has been marked "Confidential" or "Proprietary" may not be accepted. All documents submitted in response to this RFP will become the property of the State of California. Government Code Section 100508(a)(1) exempts from disclosure under the Public Records Act all deliberative processes, communications, or portions of negotiations with entities contracting or seeking to contract with Covered California and entities with which Covered California is considering a contract. Included within the exemption are score sheets and proposals submitted by Vendors for purposes of competing for a contract. Covered California may, at its discretion, waive this exemption.

## 5. FINAL PROPOSAL REQUIREMENTS DETAIL

Final Proposals must contain all information required in this RFP and must conform to the format described.

### 5.1 Administrative Requirements

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

**5.1.1 All Final Proposals must be submitted within the timelines specified in Section 1.2 of this RFP.**

**5.1.2 One (1) hard copy marked "Master", three (3) additional hard copies, and one (1) electronic copy submitted on CD, shall include the following Administrative Requirements in this order:**

1. A cover letter signed by a person authorized to bind the company which also includes the company's certification number(s) for SB and/or DVBE (if applicable).
2. A Certificate of Liability Insurance equal to or greater than \$1,000,000.
3. Proof of Workers' Compensation Liability Insurance.
4. A signed Payee Data Record form STD. 204 available at: [www.documents.dgs.ca.gov/osp/pdf/std204.pdf](http://www.documents.dgs.ca.gov/osp/pdf/std204.pdf).
5. A signed Federal Debarment Certification (Attachment 1-B).
6. A completed certification form showing, upon award of the contract, the Bidder/Contractor agrees to provide a completed Title 22, California Code of Regulations 1230000 Statement of Economic Interests, Form 700 (Attachment 1-D).
7. A completed Darfur Contracting Act Certification (Attachment 1-F).

### 5.2 Response Requirements

In addition to the Administrative Requirements, all Final Proposals must include:

#### 5.2.1 Understanding and Approach

Include a description of your understanding of the project's goals, emphasizing your understanding of the objectives and the major activities that must be performed to complete the work. Discuss your strategy for providing a draft solicitation document within the time period allocated for that task. Provide a table showing hours per week by person covering the contract term. Include your expectations of all entities outside your own team. Provide the assumptions used to develop the response.

### **5.2.2 Corporate Qualifications Summary**

Describe and provide examples of the company's overall organizational capability and resources as they relate to the general requirements set forth in this RFP's Scope of Work (SOW), including the following (maximum of eight pages):

1. Ability to manage the project and the risks involved with the project.
2. Ability to complete projects on time and within budget.
3. Ability to provide quality deliverables.
4. Evidence of the firm's experience performing the services outlined in this solicitation, including the total number of years the firm has been providing the services outlined in the SOW.

### **5.2.3 Engagement Team Qualifications**

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

### **5.2.4 Resumes**

Provide a resume of the relevant experience for each contractor staff person proposed. For each experience citation provided on a resume, the resume must include:

1. Total Duration: Indicate the start (month/year), end (month/year), and duration (total number of years and months) for each job experience submitted;
2. Description of Specific Experience: A complete description of the relevant experience, including identification of the client, name of the project, roles and responsibilities of the individual, and types of services provided by the individual.

### **5.2.5 Project Management Approach**

Describe the project management approach the Contractor proposes to take to accomplish the requirements outlined in the SOW on time and within budget, and for meeting customer quality expectations.

Include and identify the tools the Contractor proposes to use and the project management artifacts it will produce as part of managing this project (maximum of 8 pages, including charts).

### 5.2.6 Assumptions

Document any assumptions the Contractor is making about the SOW, the responsibilities of the Contractor and Covered California, and any other issues that are relevant to the Contractor's Offer and ability to do the work for the proposed cost. (Maximum of five pages)

### 5.2.7 Model Contract Response

The template for the model contract portion of the response is contained in Attachment 2. The Bidder will provide an updated statement of work using the tasks identified in Section 3 using track changes on Attachment 2-B.

Include a description of your understanding of the statement of work (Section 3). Emphasize your understanding of Covered California's objectives and the major activities that must be performed to complete the work. Describe the activities you will perform to complete the required work. Include your expectations of all entities outside your own team.

Provide a high-level work plan for this effort. The work plan must identify major activities, estimated start and end dates, and deliverable milestones. At a minimum, the work plan must map each primary task to a deliverable. The response must include any additional information that the Contractor deems necessary to explain how the Contractor intends to meet Covered California's requirements. Include the following as appropriate (maximum of 25 pages, including charts, tables, and graphs):

1. Overview of the required tasks and outcomes.
2. Description of how the tasks will be performed.
3. Work plan for each task.
4. Samples of work from other projects, or outlines of what deliverables are proposed for the required tasks.

Exhibit B is the budget and payment provisions portion of the contract. Using the cost worksheet, Attachment 2-D, provide costs by fiscal year in a table consistent with the one shown in Attachment 2-D. Responses shall not exceed the total costs listed in Section 1.5. Responses that exceed the total costs listed in Section 1.5 will not be considered for selection. Provide the cost per hour to be used as the basis for any additional work, should the agreement be amended as described in the General Provisions section of this RFP.

1. The Cost Worksheet has been provided as a Microsoft Word Document. Contractors are to complete the Worksheet using the provided template. List the tasks and deliverables outlined in your work plan. Identify each resource that will be assigned to a task, including the resource's hourly rate, the estimated number of hours that the resource is expected to expend on the task, and total cost.

Each primary task is expected to result in one or more deliverables, but many sub-tasks may not be associated with a specific deliverable.

Exhibits C, D, and E are the standard terms and conditions between Covered California and all Contractors. Any changes to these terms and conditions should be made with track changes and submitted as part of the bidder's response. Submission of these Exhibits with no changes implies acceptance of these terms and conditions.

## 6. REVIEW OF FINAL PROPOSALS FOR AWARD/SELECTION CRITERIA

### 6.1 Written Responses to this RFP will be evaluated in three phases

Phase 1- Administrative Requirements. The Selection Team will review responses to the Administrative Requirements.

Phase 2 - Review of the understanding and approach, corporate qualifications, engagement team qualifications, resumes, and project management approach.

### 6.2 Interviews

After Phase 2, interviews may be conducted with up to three of the highest rated bidders. The exact number of bidders interviewed is entirely at the discretion of Covered California. The specific staff to be interviewed will be agreed upon between Covered California and the bidder at the time the interview is scheduled.

### 6.3 Evaluation Criteria

Evidence of extensive previous experience in similar complex, short deadline efforts will receive significant consideration in the evaluation process, as will demonstrated experience related to the Scope of Work.

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

<b>Criteria</b>	<b>Points</b>
Administrative Requirements	100
Understanding and Approach	200
Corporate Qualifications	100
Engagement Team Qualifications and Resumes	100
Project Management and Approach	200
Cost	300

<b>Totals</b>	<b>1000</b>
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<b>Preference Programs if applicable</b>	<b>Points</b>
Small Business	250
DVBE Participation 5% or Over	50
DVBE Participation 4% to 4.99% inclusive	40
DVBE Participation 3% to 3.99% inclusive	30
DVBE Participation 2% to 2.99% inclusive	20
DVBE Participation 1% to 1.99% inclusive	10

The response that is most highly rated after applying the weighted evaluation criteria described above shall be recommended for selection. If two or more of the highest rated responses are evaluated as substantially equal after applying the weighted evaluation criteria described above, then the lowest cost response from among the substantially equal responses shall be recommended for selection.

### **6.3.1 Evaluation of Understanding and Project Management Approach, Contractor Qualifications, and Engagement Team Qualifications**

Covered California Evaluation Team will evaluate Bidder proposals in the four areas of requirements:

1. Understanding and Approach
2. Corporate Qualifications
3. Engagement Team Qualifications
4. Project Management and Approach

#### **6.3.1.1 Understanding and Approach**

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

1. Quality of the Bidder's approach to addressing scope of responsibilities and activities, including how the Bidder will provide the flexibility to address issues as they arise, while maintaining a high level of quality in the approach;

2. Quality of the Bidder's approach to early identification of issues and risks, and how the approach will directly contribute to resolution and mitigation; and
3. Demonstrated understanding of the key characteristics of the project in general.

Scores will be assigned in accordance with the rating scale shown below, Understanding and Approach Scoring Key.

**Understanding and Approach Scoring Key**

<b>RATING</b>	<b>EVALUATION TEAM ASSESSMENTS</b>	<b>POINTS</b>
Outstanding	Understanding and approach clearly demonstrates unusual insight and/or creativity.	200
Acceptable	No reservations or minimal reservations about bidder's understanding and approach.	100
Marginal	Material reservations about bidder's understanding and approach.	50
Unacceptable	Understanding of the project and client needs clearly deficient.	0

**6.3.1.2 Corporate Qualifications**

Covered California seeks a Vendor with significant corporate capacity to respond to Covered California needs during the entire duration of the contract, support a high degree of qualified staff continuity, and a consistently high level of individual team member performance.

1. Corporate Description and Background: Scoring of this factor will be based upon the Evaluation Team's assessment of corporate resources, capacity, and historical track record as they relate to the Scope of Work. Evaluators will assign scores based upon the bidder's Corporate Qualifications narrative. Scores will be assigned in accordance with the rating scale shown below, Corporate Qualifications Scoring Key.

**Corporate Qualifications Scoring Key**

<b>RATING</b>	<b>EVALUATION TEAM ASSESSMENTS</b>	<b>POINTS</b>
Outstanding	High degree of confidence in corporate capabilities and resources.	100
Acceptable	No reservations or minimal reservations about corporate capabilities and resources.	75
Marginal	Material reservations about corporate capabilities and resources.	45
Unacceptable	Corporate capabilities and resources clearly inadequate.	0

### 6.3.1.3 Engagement Team Qualifications

Covered California seeks a team of highly qualified, senior staff to provide high-level project management support services as depicted in the Scope of Work. The following sections describe the evaluation and scoring of staff qualifications.

#### 1. Staff Experience and Credentials

Scoring of this factor shall be based upon the Evaluation Team's assessment of the breadth, depth, and relevance of each proposed team member's experience and credentials. Evaluators will assign scores based upon information contained in Resumes and Staff Experience Summary Forms. The Evaluation Team will consider, in descending order of importance:

- a. Demonstrated capacity to successfully assume responsibility comparable to that proposed for the individual in the project engagement;
- b. Demonstrated capacity to perform at a high level in multiple areas of project management;
- c. General breadth and extent of experience, as indicated by the number of projects, and duration of individual involvement in each;
- d. Relevance of experience as indicated by the scope and subject matter of project experience; and
- e. Relevance of education, training, and certifications.

Scores will be assigned for each individual in accordance with the rating scale shown below, Engagement Team Qualifications Scoring Key.

#### Engagement Team Qualifications Scoring Key

RATING	EVALUATION TEAM ASSESSMENTS	POINTS
Outstanding	A seasoned, senior individual, with demonstrated capacity to perform successfully as a high level project management Contractor in multiple areas on similar large, complex projects.	100
Acceptable	No reservations or minimal reservations about this individual's capacity to perform at a high level in the project environment.	75
Marginal	Material reservations about this individual's capacity to perform at a high level in the project environment.	45
Unacceptable	Demonstrated experience clearly inadequate or irrelevant.	0

### 6.3.1.4 Project Management and Approach

Scoring of this factor will be based upon the Evaluation Team's assessment of the breadth, depth, and relevance to the Scope of Work requirements, as well as corporate resources and capacity as indicated by the characteristics of projects. Evaluators will assign scores based upon information contained in the Project Management and



Approach narrative. Scores will be assigned in accordance with the rating scale shown below, Projects Completed or in Progress Scoring Key.

### Projects Completed or in Progress Scoring Key

RATING	EVALUATION TEAM ASSESSMENTS	POINTS
Outstanding	Extensive, highly relevant corporate experience clearly demonstrated.	200
Acceptable	No reservations or minimal reservations about extent or relevance of corporate experience.	100
Marginal	Material reservations about extent or relevance of corporate experience.	50
Unacceptable	Extent of corporate experience clearly inadequate or irrelevant.	0

#### 6.4 Cost Score

##### 3. Cost (300 points)

Each bidders cost score will be calculated based on the ratio of the lowest cost proposal to the bidders cost, multiplied by the maximum number of cost points available (300), as shown in the calculation below:

$$\frac{\text{Lowest Total Cost Bid}}{\text{Bidder Total Cost}} \times \text{Total cost points available}$$

Example: To help illustrate this process, refer to table below, for an example of the cost score calculation process. **Cost figures in the example below explain the calculations and have no other significance.**

##### *Cost Evaluation and Scoring Methodology Example*

Bidder	Grand Total Cost	Calculation	Cost Points Awarded
A	\$400,000	$\frac{\$300,000}{\$400,000} \times 300$	225
B	\$350,000	$\frac{\$300,000}{\$350,000} \times 300$	257
C	\$300,000	$\frac{\$300,000}{\$300,000} \times 300$	300

## 7. PREFERENCE PROGRAMS

### 7.1 Small Business Preference

Small Business Regulations: This RFP does not include a minimum Small Business (SB) participation preference. However, bidders are encouraged to sub-contract with SB.

1. Small Business Preferences: Bidders claiming the 5% preference must be certified by California as a small business or must commit to subcontract at least 25% of the net bid price with one or more California Certified Small Businesses (CCSB). Certification must be obtained no later than 5:00 p.m. on the bid due date.

Section 14835, et seq. of the California Government Code (GC) requires a 5% preference be given to bidders who qualify as a SB. The rules and regulations of this law, including the definition of a small business for the delivery of goods and services, are contained in California Code of Regulations (CCR's), Title 2, Section 1896, and et seq. The SB preference is for California-based Certified SB only.

To claim the CCSB preference, which may not exceed 5% for any bid, the firm must have its principal place of business located in California, have a complete application (including proof of annual receipts) on file with the State Office of Small Business and DVBE Services (OSDS) by 5:00 p.m. on the bid due date (see Section 1.2) and be verified by such office.

### 7.2 Target Area Contract Preference Act (TACPA) / Enterprise Zone Act (EZA) & Local Agency Military Base Recovery Preference Request (LAMBRA)

This RFP does not include TACPA, EZA, or LAMBRA preferences. However, during the RFP process, contractor(s) may apply for the preference. Contractor(s) are encouraged to review the package carefully to ensure that their submittals conform to the programs' preference requirements. See <http://www.pd.dgs.ca.gov/disputes/default.htm>.

1. See Target Area Contract Preference Act (TACPA) forms at: <http://www.pd.dgs.ca.gov/edip/tacpa.htm>
2. See Enterprise Zone Act (EZA) forms at: <http://www.pd.dgs.ca.gov/edip/eza.htm>
3. See Local Agency Military Base Recovery Act (LAMBRA) forms at: <http://www.pd.dgs.ca.gov/edip/lambra.htm>

### 7.3 Disabled Veteran Business Enterprise (DVBE) – Declaration & Program Incentive

This RFP does not require bidders to meet the minimum DVBE participation percentage or goal. However, a bidder must complete and submit the **Bidder Declaration – Attachment 1-K** with its proposal package. Failure to complete and submit the required attachment as instructed may render the bid non-responsive. Pursuant to Military and Veterans Code Section 999.2, each State department has a participation goal of not less

than 3% for disabled veteran business enterprises. These goals apply to the overall dollar amount expended each year by the awarding department.

### **7.3.1 Commercially useful function**

**Only State of California, Office of Small Business and DVBE Services (OSDS), certified DVBEs** who perform a Commercially Useful Function (CUF) relevant to this solicitation may be used to satisfy the DVBE participation goal. The criteria and definition for performing a CUF are below. When responding to this RFP, bidders will need to verify each DVBE subcontractor's certification with OSDS to ensure DVBE eligibility.

**CUF Definition** California Code of Regulations, Title 2, § 1896.61(l): The term "DVBE contractor, subcontractor or supplier" means any person or entity that satisfies the ownership (or management) and control requirements of §1896.61(f); is certified in accordance with §1896.70; and provides services or goods that contribute to the fulfillment of the contract requirements by performing CUF.

As defined in Military Veterans Code §999, a person or an entity is deemed to perform a "CUF" if a person or entity does **all** of the following:

1. Is responsible for the execution of a distinct element of the work of the contract.
2. Carries out the obligation by actually performing, managing, or supervising the work involved.
3. Performs work that is normal for its business services and functions.
4. Is not further subcontracting a portion of the work that is greater than that expected to be subcontracted normal industry practices.

A contractor, subcontractor, or supplier will not be considered to perform a CUF if the contractor's, subcontractor's, or supplier's role is limited to that of an extra participant in a transaction, contract, or project through which funds are passed in order to obtain the appearance of DVBE participation.

Attachment 1

1-A: Proposal Checklist

1-B: Federal debarment, suspension, ineligibility and voluntary exclusion – certification

1-C: FORM 700 Statement of Economic Interest Certification

1-D: Staff Experience Form

1-E: Bidder Instructions

1-F: Payee Data Record

1-G: Darfur Certification

1-H: DVBE Declaration

1-I: Bidder Declarations

1-J, K, L: TACPA/EZA/LAMBRA

Attachment 2

- 2-A: Standard 213
- 2-B: Exhibit A – Scope of Work
- 2-C: Exhibit B – Budget Provisions
- 2-D: Exhibit B – Attachment 1, Cost Worksheet
- 2-E: Exhibit C – General Terms and Conditions
- 2-F: Exhibit D – Special Terms and Conditions
- 2-G: Exhibit E – Additional Provisions
- 2-H: Exhibit F – Travel reimbursement information