



**COVERED
CALIFORNIA**

**Request for Proposal
RFP 2020-11: Print Fulfillment Services**

April 2, 2021

TABLE OF CONTENTS

1.	INTRODUCTION	3
1.1	Overview	3
1.2	Contact.....	3
1.3	Background	3
1.4	Purpose	4
1.5	Scope of Work.....	4
1.6	Key Action Dates	4
2.	PROPOSER’S PROJECT TEAM	5
2.1	Proposer’s Team Minimum Qualifications	5
2.2	Proposer’s Team Desirable Qualifications.....	6
2.3	Reassignment of Personnel	6
2.4	Contract Term	6
2.5	Contract Amount	6
2.6	Contract Amendment	7
2.7	RFP Questions	7
2.8	Submission of Proposals	7
2.9	Format of Proposals	8
2.10	Covered California’s Rights	10
2.11	Rejection of Proposals	10
2.12	Errors in Proposals	12
2.13	Protest.....	13
2.14	Disposition of Proposals	14
2.15	Contract Execution and Performance.....	14
2.16	Subsequent Solicitation.....	15
2.17	Addition or Subtraction of Services	15
2.18	News Releases and Social Media	15
3.	SCOPE OF WORK.....	15
3.1	Contract Completion Criteria	15
3.2	Project Assumptions and Constraints.....	15
3.3	Payment and Invoicing	16
4.	REQUIRED PROPOSAL SUBMISSION CONTENT	16
4.1	Proprietary Information and Confidential Status of Responses	16
4.2	Administrative Requirements.....	17
4.3	Technical Requirements.....	19
5.	EVALUATION AND SELECTION FOR CONTRACT AWARD	21
5.1	Phase One: Administrative Requirements.....	21

5.2	Phase Two: Technical Requirements	21
6.	PREFERENCE AND INCENTIVE PROGRAMS.....	28
6.1	How the Preferences and Incentives Work.....	29
6.2	Small Business Preference	30
6.3	Disabled Veteran Business Enterprise Incentive.....	31
6.4	Programs for Non-Small Businesses with Subcontractors	31
6.5	Target Area Contract Preference Act	33
7.	ATTACHMENTS.....	33
8.	MODEL CONTRACT WITH EXHIBITS.....	34

1. INTRODUCTION

1.1 Overview

Potential Proposers are invited to review and respond to this Request for Proposal (RFP). By submitting a proposal, the Proposer agrees to the terms and conditions stated in this RFP.

Potential Proposers should carefully read this document and all attachments in their entirety, as they may contain binding provisions that affect the rights and obligations of Proposers. Proposers must comply with the instructions contained in this document. Proposals for this RFP must be submitted to the Covered California contact designated in Section 1.2 and as detailed in Section 2.9 below.

1.2 Contact

For questions regarding this RFP, contact Covered California via email at HBEXSolicitation@covered.ca.gov with “RFP 2020-11 Attn: Joyce Anne Asper” in the subject line. The Covered California contact for this solicitation is Joyce Anne Asper.

Please reference the RFP number in all communications. Phone calls will not be accepted.

1.3 Background

Soon after the passage of national health care reform through the Patient Protection and Affordable Care Act of 2010 (ACA), California became the first state to enact legislation to establish a qualified health benefit exchange. The California state law is referred to as the California Patient Protection and Affordable Care Act (CA-ACA).

The goals and objectives of Covered California are to:

- Reduce the number of uninsured Californians by creating an organized, transparent marketplace for Californians to purchase affordable, quality health care coverage, to claim available federal tax credits and cost-sharing subsidies, and to meet the personal responsibility requirements imposed under the federal act (ACA);
- Strengthen the health care delivery system;
- Serve as an active purchaser, including creating competitive processes to select participating carriers and other contractors;
- Require that health care service plans and health insurers issue coverage in the individual and small employer markets and compete on the basis of price, quality, and service (and not on risk selection); and
- Meet federal and state law requirements, guidance and regulations.

Covered California is an independent public entity within California State Government. It is governed by a five-member board appointed by the Governor and Legislature.

Covered California works in close partnership with:

- The Department of Health Care Services, which oversees and administers California's Medicaid Program (Medi-Cal) and other specifically-focused health programs;
- The two agencies that regulate health insurance in California, the Department of Managed Health Care and the Department of Insurance; and
- A broad range of stakeholders whose constituencies may be impacted by health care reform.

For additional information on Covered California, please refer to the consumer website at CoveredCA.com and the business website at hbex.CoveredCA.com.

1.4 Purpose

The purpose of this agreement is to provide print and fulfillment services to support the Outreach, Education, and Enrollment functions of Covered California.

Covered California is a rapidly evolving organization with need for a Print and Fulfillment vendor that can manage complex collateral production, mailings and distribution needs across California. Collateral pieces will be used by the statewide outreach, education and enrollment network to raise awareness of and educate consumers. It is important for Covered California to partner with a vendor that can assist in balancing appropriate production approaches to meet demand for materials, while minimizing waste of stored materials that may be updated or replaced with new versions. Critical to success is the ability to maintain awareness of utilization and versions of materials that are in circulation.

In addition to managing production, the selected Contractor will be required to manage order accounts for multiple grantees, entities and partners.

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

1.5 Scope of Work

See the Model Contract Exhibit A – Scope of Work (SOW) for a detailed description of the services and work to be performed by the successful Proposer.

1.6 Key Action Dates

Proposers are advised of the key dates and times shown in the table below and are required to adhere to them. All times noted in this document are Pacific Time (PT).

KEY ACTION DATES

Request for Proposal Release Date:	April 2, 2021
RFP Questions Due Date and Time:	April 9, 2021 by 3:00 PM
Responses to Questions Posted By:	April 16, 2021
Proposal Due Date and Time:	April 23, 2021 by 3:00 PM
Proposer Interviews (optional):	Week of May 3, 2021
Notice of Intent to Award:	Week of May 10, 2021
Anticipated Contract Term:	June 1, 2021 - June 30, 2024

2. PROPOSER’S PROJECT TEAM

Covered California seeks a team with experience and knowledge of the process outlined in this RFP and the Model Contract Exhibit A – Scope of Work. Proposers must demonstrate that the project team members who will be assigned to the project possess the experience, education, knowledge, and skills required to perform the work described in this RFP.

2.1 Proposer’s Team Minimum Qualifications

The required minimum qualifications for Proposer’s include the following:

1. A minimum of ten (10) years of experience performing print fulfillment services for large organizations, public or private;
2. A minimum of five (5) years of experience managing client order management systems;
3. Must currently operate a full-service, California-based print and fulfillment facility in operation since 2011;
4. Must currently operate an Online Store that is capable of processing online orders and credit card payments, and fulfillment for numerous separate users;
5. Must be capable of managing and tracking budgets for multiple user groups;
6. Must be capable of printing variable data with high accuracy in volumes averaging 500,000 or more;
7. Must be experienced in and capable of receiving and transmitting Personally Identifiable Information (PII) and Personal Health Information (PHI) data via Secure Shell (SSH) Secure File Transfer Protocol (SFTP);
8. Must have established policies and procedures for handling PII in accordance with state and federal laws;
9. National Change of Address (NCOA)/Coding Accuracy Support System (CASS) certification;
10. Warehouse storage capacity of 200 or more pallets of Covered California materials;

11. All storage facilities must be sufficiently secured to meet the federal and state requirements for storing PII.

2.2 Proposer’s Team Desirable Qualifications

Covered California seeks Proposers with the following desirable qualifications:

- 1. Demonstrated experience with the production and distribution of various mass-scale communications including postcards, letters, surveys, emails and Short Message Service (SMS) texts;
- 2. Demonstrated experience and capacity to perform Geo-Coding for the purpose of targeted direct mail campaigns;
- 3. Demonstrated experience with language verification processes;
- 4. Demonstrated experience with data and duplication of address cleansing;
- 5. Onsite postal verification with postage savings;
- 6. Usage of in-line cameras and bar codes for 100% verification of product.

2.3 Reassignment of Personnel

- 1. The Contractor shall not reassign nor substitute personnel assigned to the contract during the contract term 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. Covered California reserves the right to require a Contractor employee to be removed from performing any work on the contract and on written notice to the Contractor, the Contractor shall assign an acceptable substitute employee.

2.4 Contract Term

The initial term of the contract is from June 1, 2021 to June 30, 2024; however, the contract term is subject to change and may be amended. The resulting contract will be of no force or effect until signed by both parties. Performance shall not commence until a valid contract has been executed between the successful Proposer and Covered California. Covered California will not pay for any services performed prior to the execution of a valid contract.

2.5 Contract Amount

The funding for this contract shall not exceed \$30,000,000.00 for the initial contract term. Annual spend is anticipated to be approximately \$6,000,000.00.

Funding is subject to annual budget approval by the Covered California Board of Directors. If full funding does not become available, Covered California may terminate or amend the contract to reflect reduced funding and reduced deliverables.

2.6 Contract Amendment

The initial contract term is June 1, 2021 to June 30, 2024. Covered California may, in its sole discretion, extend the term of the contract for two (2) additional two-year terms. The total number of contract years (including extensions) shall not exceed seven (7) years.

The parties may increase or decrease funding through an amendment. Funding for option years may not be used in advance. Additional funding for any time extension will be at the same rates provided in the approved Exhibit B, Attachment 1 - Cost Worksheet in effect. Total funding for this contract cannot exceed \$70 million for the initial term and all extensions.

Any amendment will require Covered California's approval in accordance with its policies and procedures. An amendment may require a formal resolution from the Covered California Board of Directors before Covered California can execute it.

2.7 RFP Questions

Prospective Proposers must submit any questions regarding this RFP by the due date and time specified in the Key Action Dates table in Section 1.6. Only questions sent to the email address provided in Section 1.2 will be accepted. Prospective Proposers must provide enough specific information to enable Covered California to identify and respond to their questions. When submitting questions, please reference the RFP number in the subject line.

Responses to questions received during the RFP Questions time period will be posted on the website at <http://hbex.coveredca.com/solicitations>. Proposers who fail to report a known or suspected problem with this RFP, or who fail to seek clarification or correction of this RFP, do so at their own risk.

In its sole discretion, Covered California may contact a prospective Proposer to seek clarification or additional information regarding any question received.

2.8 Submission of Proposals

1. Proposers' Cost: Costs for developing proposals are entirely and solely the responsibility of the Proposer and are not chargeable to Covered California.
2. Completion of Proposals: Proposers are required to be both responsive (fully compliant) and responsible (capable and qualified to perform work) relative to the solicitation requirements. Proposals must be complete in all respects and contain all required items as described in the requirements established within this RFP, its attachments, and any written responses to questions or amendments posted by Covered California on its website. A proposal may be rejected by Covered California,

in its sole discretion, if the proposal is conditional, incomplete, or irregular in any way. A proposal must be rejected by Covered California if any defect or irregularity constitutes a material deviation from the RFP requirements as determined by Covered California, in its sole discretion.

3. **False or Misleading Statements:** Proposals which contain false or misleading statements, or which provide references that do not support an attribute or condition claimed by the Proposer may be rejected. If, in the sole opinion of Covered California, such information was intended to mislead Covered California in its evaluation of the proposal or was included as a result of gross negligence attributable to the Proposer, and the attribute, condition, or capability is a requirement of this RFP, it shall be grounds for rejection of the proposal.
4. **Errors:** If a Proposer discovers any ambiguity, conflict, discrepancy, omission, or other error in this RFP, the Proposer shall immediately notify Covered California of such error by emailing the contact in Section 1.2 and shall request a modification or clarification of the RFP. Modifications or clarifications will be given by written notice posted on the website at <http://hbex.coveredca.com/solicitations> without divulging the source of the request for modification or clarification. Covered California shall not be responsible for a Proposer's failure to correct errors, nor for any Proposer's failure to regularly and timely check the website for changes.
5. **Importance of Meeting Deadlines:** Proposers are responsible and assume all risks for the delivery and receipt by Covered California of all proposal submissions prior to the submission deadline. The stated deadlines for submitting a proposal and all required materials for receipt by Covered California will be strictly enforced. Submissions that are incomplete or received after the stated deadline may not be accepted.
6. **Assessment of Proposals:** All proposals will be assessed based on the evaluation criteria as set forth in this RFP and at Covered California's sole discretion. The selection and contract award, if made, will be made to a single Proposer unless otherwise specified in this RFP. The SOW and the selected Proposer's proposal, including Cost Worksheet, will be incorporated by reference into the resulting contract.

2.9 Format of Proposals

Proposers must submit a proposal package that contains all required attachments, documents, narrative responses, and the Model Contract exhibits. Proposals must be submitted electronically via email to hbexsolicitation@covered.ca.gov with "RFP 2020-11 Attn: Joyce Anne Asper" in the subject line. Hard copy proposals will not be accepted and will be deemed non-responsive.

1. Electronic Signatures

Proposers may sign required attachments and documents electronically or with ink, so long as the attachments and documents are submitted as a Portable Document Format (PDF). Signatures must be provided by an authorized signatory who is authorized to contractually bind the Proposer.

2. Narrative Format

- a. Narrative portions of proposals should be prepared to provide a straightforward, concise delineation of the Proposer's capabilities to satisfy the requirements of this RFP. Emphasis should be on conformance with the RFP instructions, responsiveness to the RFP requirements, and completeness and clarity of content.
- b. Proposers must follow the format requirements listed below for all narrative portions of the proposal submission. Failure to do so may result in an entire proposal or affected section not being read or evaluated, at Covered California's sole discretion.
 - 1) Use a Times New Roman, Arial, or Calibri font of at least 12-point size throughout unless a form is required by Covered California that contains a smaller font.
 - 2) Use one-inch margins at the top, bottom, and sides.
 - 3) Sequentially number the pages in each section and clearly identify each section in the order requested. When a page limit is noted, pages exceeding the limit will not be reviewed or scored. It is not necessary to paginate the required forms.
 - 4) Place the Proposer's name in a header or footer on every page. If the Proposer's name is not already entered elsewhere on a completed certification or form, add it to a header, footer, or signature block.

3. Model Contract with Exhibits

All proposals must be based on and conform to the Model Contract provided with this solicitation. Proposers should review the Model Contract in its entirety prior to submitting a proposal. Proposers must submit as part of their proposals any changes or exceptions to the Model Contract that they wish to negotiate. However, extensive or significant changes or exceptions to the Model Contract may make the proposal non-responsive to the RFP if Covered California, in its sole discretion, determines that the proposed changes or exceptions materially change the contractual relationship between the parties. Proposer-suggested changes or exceptions to the Model Contract exhibits must be documented via tracked changes to the documents using Microsoft® Word®. All the Model Contract changes, or exceptions must be included in the proposal package at the time of submission. No

additional changes or exceptions may be presented during contract negotiations. Covered California reserves the right to reject all changes and exceptions in the proposal package.

2.10 Covered California's Rights

1. Verification of Proposer Information

By submitting a proposal, the Proposer authorizes Covered California to do the following:

- i. Verify any and all claims made by the Proposer, including, but not limited to, verification of prior experience and possession of all other required qualifications; and
 - ii. Check any and all references identified by the Proposer, or any other resource known or identified by Covered California, to confirm the Proposer's business integrity and history of providing effective, efficient, competent, and timely goods and/or services.
2. Covered California may, in its sole discretion, modify the RFP prior to the proposal submission deadline by the issuance of an addendum on the website listed at <http://hbex.coveredca.com/solicitations>.
 3. Covered California reserves the right to reject any proposal that does not satisfy the requirements set forth in this RFP. Before submitting a response to this RFP, prospective Proposers should review and correct all errors and confirm compliance with all RFP requirements.

2.11 Rejection of Proposals

Deviations may cause a proposal to be deemed non-responsive and to not be considered for award. Covered California may reject any or all proposals and/or 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 requirements and shall not excuse the Proposer from full compliance with the RFP specifications if awarded the contract.

Proposals that are not received by the date and time specified in Section 1.6 Key Action Dates will be maintained separately from proposals that have been timely received. Proposals received after the due date may only be considered upon written approval of Covered California's Executive Director or their designee specifying the reason(s) for acceptance and consideration of the untimely proposal.

Issuance of this RFP in no way constitutes a commitment by Covered California to award a contract. Covered California reserves the right to do the following:

- i. Reject any or all proposals received in response to this RFP, or portions of proposals;
- ii. Amend or cancel this RFP at any time, after which Covered California may reissue the RFP at a later date; and
- iii. Consider a Proposer's past contract performance with Covered California in its selection of a Proposer pursuant to this RFP.

1. Non-Responsive Proposals

A proposal may be deemed non-responsive and subsequently rejected if any of the following occur:

- i. The proposal is received after the exact time and date set forth in Section 1.6 Key Action Dates for receipt of each submission;
- ii. The Proposer fails to meet one or more of the minimum qualifications specified in Section 2, Proposer's Project Team;
- iii. The Proposer fails to submit or fails to complete and sign any required attachments as instructed in this RFP;
- iv. The proposal contains false, inaccurate, or misleading statements or references;
- v. The Proposer is unwilling or unable to fully comply with Covered California's proposed contract provisions; or
- vi. The Proposer supplies conditional cost information, incomplete cost information, or cost information containing unsigned/uninitiated alterations or irregularities.

2. Business in Good Standing

Proposer acknowledges that when agreements are to be performed in the State of California by corporations or vendors, Covered California will verify, prior to awarding any State contract, the following information in order to ensure that all obligations due to the State are fulfilled:

a. Corporation in Good Standing

As required by California law, Proposers must be in good standing and qualified to do business in California at the time of submitting a proposal and, if selected by Covered California, during the entire term of the contract. If the Proposer is incorporated, the Proposer's status with the California Secretary of State (SOS) must be Active; a status of Cancelled or Suspended will cause the Proposer to be deemed non-responsive. This requirement does not apply to sole proprietors and general partnerships. Unless otherwise specified, the Proposer shall not submit copies of its organization's bylaws or Articles of Incorporation.

"Doing business" is defined in California Revenue and Taxation Code section 23101 as actively engaging in any transaction for the purpose of financial or

pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the State not be subject to the franchise tax.

Both domestic and foreign (those incorporated outside of California) corporations must be in good standing in order to be qualified to do business in California.

b. State Tax Delinquency

Covered California will verify with the California Franchise Tax Board (FTB) and California Department of Tax and Fee Administration (CDTFA) that the Proposer is not on a prohibited list due to tax delinquencies. The proposal will be considered non-responsive if the Proposer is on any of these lists.

The list established by FTB can be found at:

<https://www.ftb.ca.gov/about-ftb/newsroom/top-500-past-due-balances/corporate-income-tax-list.html>.

The list established by CDTFA can be found at:

<https://www.cdtfa.ca.gov/taxes-and-fees/top500.htm>.

2.12 Errors in Proposals

An error in a proposal may cause the rejection of that proposal; however, Covered California may, in its sole discretion, 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 this RFP and any unusual complexity of the format and content required by this RFP.

1. If the Proposer's intent, as determined by Covered California, is clearly established based on its review of the complete proposal submission, Covered California may, in its sole discretion, correct an error based on that established intent.
2. Covered California may, in its sole discretion, correct obvious clerical errors.
3. A Proposer may modify a proposal after submission by withdrawing its original proposal and resubmitting a new one provided it is received prior to the proposal submission deadline. Modifications offered by a Proposer in any other manner, oral or written, will not be considered.
4. A Proposer may withdraw its proposal by submitting a written withdrawal request to Covered California, signed by the Proposer or an authorized agent. Proposals may not be withdrawn subsequent to the proposal submission deadline without cause.
5. No oral understanding or contract shall be binding on either party.

Covered California reserves the right to contact any Proposer at any time during the solicitation process to collect additional clarifying information, if deemed necessary and appropriate by Covered California.

2.13 Protest

Any protest properly submitted within five (5) business days of the posting of the Notice of Intent to Award will be considered. All protests will be reviewed and decided by the Executive Director or their designee. The following protest procedures shall be followed:

1. General

An unsuccessful Proposer may protest the intended award to another Proposer by following the terms and conditions outlined below. The protester challenging Covered California's intended award bears the burden of proof.

2. Grounds

Protester must cite the specific grounds for the protest and provide all facts and citations of law sufficient to support the protest and enable the Executive Director or their designee to make an informed, proper decision. Covered California will determine, in its sole discretion, if the protester has demonstrated sufficient grounds to allow the protest to be heard. Abuse of the protest process by unsuccessful Proposers for the purpose of securing confidential information about other Proposers will be rejected by Covered California. The sole grounds for a protest are:

- i. Protester reasonably believes that Covered California has acted in an arbitrary and capricious manner; and/or
- ii. Protester reasonably believes that Covered California committed an error in the proposal process as stated in the solicitation that is sufficiently material to justify invalidation of the intended award.

There shall be no basis for protest if Covered California rejects all proposals.

3. Requirements for Protest

Protests must be submitted in writing, signed by an individual who is authorized to contractually bind the Proposer, and include all grounds and supporting facts and evidence upon which the protest is based, as well as all citations of law, rule, regulation or procedure upon which the protester relies. Protests must be delivered to Covered California at the address indicated below by certified or registered mail or in person, in which case the protester should obtain a delivery receipt. Alternatively, protests may be submitted via email to HBEXSolicitation@covered.ca.gov. Protests

must be received by Covered California no later than the close of business five (5) business days after the Notice of Intent to Award has been posted.

Protests must be mailed or delivered to the address shown below or emailed to HBEXSolicitation@covered.ca.gov.

Mailing Address
Covered California Attn: Peter Lee, Executive Director 1601 Exposition Blvd. Sacramento, CA 95815

The Executive Director's or his/her designee's decision shall be final.

4. Terms of Protest

Scoring documents, evaluation and selection documents, other Proposers' submissions, or any other record created during the review of proposals submitted in response to this RFP are not public records and are exempt from disclosure as public records pursuant to Government Code section 100508(a).

A protester who has demonstrated a legitimate ground for protest as described above may be provided limited access to certain relevant, non-public information regarding the RFP and Covered California's consideration of submissions in response to the RFP upon the protester's execution of a Non-Disclosure Agreement provided by Covered California and the approval of Covered California's General Counsel or their designee. Trade secret, proprietary, and confidential information will be redacted from any documents disclosed to protester as part of the protest process.

2.14 Disposition of Proposals

Upon proposal opening, all documents submitted in response to this RFP become the property of the State of California.

2.15 Contract Execution and Performance

Performance shall begin no later than the date set forth in this RFP by Covered California and after the contract is fully executed, unless a later date is mutually agreed upon by Covered California and the Contractor. Notwithstanding any other provision, should the Contractor fail to commence work on the agreed date and time, Covered California reserves the right to terminate the contract upon five (5) business days written notice to the Contractor. In such an event, the Contractor shall be liable to Covered California for the difference between the Contractor's cost proposal and, if greater, the actual cost of performing the work by a replacement contractor.

All performance under the contract shall be completed before the termination date of the contract, unless an earlier date is specified in the contract.

2.16 Subsequent Solicitation

If at any time during the negotiation of a contract with the successful Proposer, Covered California determines it is not able to reach an agreement with the successful Proposer, Covered California may, in its sole discretion, terminate the negotiations and engage the next highest-scored Proposer without performing a subsequent solicitation.

2.17 Addition or Subtraction of Services

Notwithstanding that proposals have been submitted, at Covered California's sole discretion, the SOW may be modified prior to contract award to add or remove services through an addendum. If the date and time for submission of proposals has passed as of the time the addendum is posted and proposals have been received, Covered California, in its sole discretion, may restrict responses to the modified SOW so that only entities that submitted timely proposals in response to the initial RFP may respond to the addendum.

2.18 News Releases and Social Media

By submitting a proposal, Proposers and the selected Contractor agree that they will not issue news releases nor make statements to the news media or through social media channels pertaining to this RFP, their proposals, the contract, or work resulting therefrom, without first obtaining prior approval from Covered California.

3. SCOPE OF WORK

3.1 Contract Completion Criteria

The contract resulting from this RFP will be considered complete when Covered California has approved and accepted all assigned contract deliverables.

3.2 Project Assumptions and Constraints

1. The Contractor shall have customer service staffing consistent with Covered California's key staff, whose normal business hours are 8:00 AM to 5:00 PM PT, Monday through Friday, except for State holidays.
2. Overtime rates will not be reimbursed under the contract.
3. Travel will not be reimbursed under the contract.
4. Any modifications to tasks within the SOW of the contract shall be defined, documented, and mutually agreed upon by the Contractor and Covered California's Representative prior to starting work on the modified task(s). Covered California's

Representative may refine or clarify the services deemed necessary to meet the needs of this project in accordance with Covered California's priorities.

5. Covered California and the Contractor shall be mutually obligated to keep open and regular channels of communication in order to ensure the successful performance of the contract. Both parties shall be responsible for communicating potential problems or issues to Covered California's Representative and the Contractor's project team manager, respectively, within forty-eight (48) hours of becoming aware of the problem or issue.

3.3 Payment and Invoicing

If the collection of fees assessed from Qualified Health Plans (QHPs) are collectively insufficient to provide the funds for this program, Covered California shall have the option to either cancel this contract with no liability occurring to Covered California or offer a contract amendment to the Contractor to reflect the reduced amount.

The Contractor may invoice Covered California only after the successful completion and acceptance of the contract deliverables. The Contractor may not invoice Covered California for any costs exceeding the maximum amount identified to complete a deliverable.

4. REQUIRED PROPOSAL SUBMISSION CONTENT

Proposal submissions must include content for the following categories, which are described in detail in the sections below.

- Administrative Requirements
 - Required attachments
 - Required documents
 - Updated Model Contract with Exhibits
- Technical Requirements
 - Understanding and Approach
 - Corporate Qualifications Summary
 - Project Team Qualifications
 - Resumes
 - Past Projects Completed
 - Project Assumptions
 - Cost Proposal

4.1 Proprietary Information and Confidential Status of Responses

Any documentation submitted which has been marked "Proprietary" or "Trade Secrets" may be rejected. All proposals and evaluation documents are confidential and will not be available for public inspection pursuant to Government Code Section 100508(a)(1).

4.2 Administrative Requirements

To be deemed responsive, Proposers must comply with the Administrative Requirements in this section.

4.2.1 Required Attachments

Proposals must include the following required attachments as set forth below. Any attachment that requires a signature must be signed by a representative authorized to contractually bind the Proposer. Photocopies of wet signatures and electronic signatures are acceptable and shall be submitted as a PDF.

- i. The *Proposal Cover Page* form (Attachment 1) completed and signed;
- ii. The *Payee Data Record (STD. 204)* form (Attachment 2) completed and signed;
- iii. The *Contractor Certification Form* (Attachment 3) completed and signed;
- iv. The *Statement of Economic Interests Certification* form (Attachment 4) completed and signed;
- v. The *Bidder Declaration (GSPD-05-105)* form (Attachment 5) completed and signed; and
- vi. The *Proposal Checklist* form (Attachment 6) completed.
- vii. *Client References* form (Attachment 7) completed.

Attachment 4 is a Proposer certification form whereby the Proposer acknowledges and agrees that, upon contract execution, the Proposer's representative and applicable staff, if identified as code filers, agree to provide a completed Statement of Economic Interests (Form 700) at the required frequency. For more information, see the Covered California Conflict of Interest Code at <http://hbex.coveredca.com/resources> and the Fair Political Practices Commission website at <http://www.fppc.ca.gov/Form700.html>.

If the Proposer wishes to claim the Disabled Veterans Business Enterprise (DVBE) incentive and/or the Target Area Contract Preference Act (TACPA) preference (see Section 6, Preference and Incentive Programs), the following optional attachments must also be included, as applicable:

- i. The *Disabled Veteran Business Enterprise Declarations (STD. 843)* form (Attachment 8) completed and signed;
- ii. The *Target Area Contract Preference Act Preference Request for Goods and Services Solicitations (STD. 830)* form (Attachment 9) completed and signed.
- iii. The *Bidder's Summary of Contract Activities and Labor Hours (DGS/PD 526)* form (Attachment 10) completed and signed.

4.2.2 Required Documents

Proposals must include the following required insurance documents:

- i. A Certificate of Liability Insurance equal to or greater than \$1,000,000.00

- ii. Proof of Workers' Compensation Liability Insurance; and
- iii. Proof of Automobile Liability Insurance, including non-owned auto liability, of \$1,000,000.00 per occurrence for persons used by the Contractor for services provided pursuant to this contract.

If the Proposer cannot include a Certificate of Liability Insurance and/or a Certificate of Automobile Liability Insurance with its proposal, it must provide a written explanation detailing why it cannot comply with the requirement(s). Covered California may, in its sole discretion, accept a proposal without these Certificates if the Proposer provides a valid justification for the absence of one, or both, of them and confirms that it will submit the appropriate Certificate(s) prior to contract execution, if it is selected as the Contractor. Covered California cannot execute a contract with the selected Contractor without both of these required Certificates and may award the contract to the next highest-scored Proposer if the Contractor fails to produce the Certificate(s) prior to contract execution.

If the Proposer is incorporated, proof of Active status with the California Secretary of State (SOS) must be provided in one of the following forms:

- i. A copy of the Proposer's current Certificate of Status issued by the SOS; or
- ii. A copy of the Proposer's Entity Detail page from the SOS's Business Search website (<https://businesssearch.sos.ca.gov/>).

4.2.3 Updated Model Contract with Exhibits

Proposers must make any suggested changes to the Model Contract as instructed below.

1. Using the Model Contract Exhibit A – Scope of Work (SOW) provided, include a revised SOW with suggested tracked changes in Microsoft® Word®.
2. Using the Model Contract Exhibit B – Budget Detail and Payment Provisions and Exhibit B, Attachment 1 – Cost Worksheet provided, include a revised Exhibit B – Budget Detail and Payment Provisions with suggested tracked changes in Microsoft® Word®.
3. Using the Model Contract Exhibit C – General Terms and Conditions provided, include a revised Exhibit C – General Terms and Conditions with suggested tracked changes in Microsoft® Word®.
4. Using the Model Contract Exhibit D – Privacy Addendum provided, include a revised Exhibit D – Privacy Addendum with suggested tracked changes in Microsoft® Word®.
5. Using the Model Contract Exhibit E – Contractor's Release provided, include a revised Exhibit E – Contractor's Release with suggested tracked changes in Microsoft® Word®.

Submission of the Model Contract exhibits without suggested tracked changes will constitute acceptance by the Proposer of the exhibits as drafted.

4.3 Technical Requirements

To be deemed responsive and responsible, Proposers must comply with the Technical Requirements in this section.

4.3.1 Understanding and Approach

Proposers must provide a narrative description of their understanding of the project's goals, emphasizing their understanding of the objectives and the major activities that must be performed to complete the work. Proposers should discuss their strategy for providing the services outlined in the SOW within the time period allocated and provide a table showing hours per week by person for the entire contract term. Proposers should also identify any subcontractors or entities expected to complete any contract deliverable, and detail Proposer's expectations of all entities outside their own project team, if any, and provide any assumptions used to develop the response.

Additionally, Proposers must provide a Work Plan that outlines their understanding of the SOW and describes the tasks they intend to perform.

(No more than fifteen (15) pages.)

4.3.2 Corporate Qualifications Summary

Covered California seeks a Proposer with significant corporate capacity to respond to Covered California's needs for the duration of the contract, to support a high degree of qualified staff continuity, and to maintain a consistently high level of individual team member performance.

Proposers must narratively describe their overall capability and available resources, including financial, facilities, and all relevant equipment, and provide specific examples, as these factors relate to the general requirements set forth in the Model Contract Exhibit A – Scope of Work, including the following:

- i. Ability to manage the project and the risks involved;
- ii. Ability to complete projects on time and within budget;
- iii. Ability to provide quality deliverables; and
- iv. Evidence of experience performing the services outlined in the SOW, including the total number of years the Proposer has been providing these services.

(No more than fifteen (15) pages.)

4.3.3 Project Team Qualifications

Covered California seeks a team of highly-qualified senior staff to provide high-level support services as required by the Model Contract. Technical and skill-based staff may also be necessary to fulfill the SOW. Please carefully review the SOW for any requirements related to the project team and staffing.

Proposers must narratively describe the qualifications of each member of the proposed project team and identify the role each member is expected to have, including the experience, education, knowledge, and skills each possesses as they relate to the proposed role. In addition, Proposers must identify the key staff that will be the points of contact for Covered California and indicate the percentage of time that staff will be dedicated to the work detailed in the SOW.

(No more than fifteen (15) pages.)

4.3.3.1 Resumes

Proposers must provide a resume of the relevant experience held by each proposed project team member. For each experience cited on a resume, the information must include the following:

- i. The total duration (i.e., the start month and year, the end month and year, and the total number of years and months); and
- ii. A description of specific experience (i.e., 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).

When preparing resumes for submission, Proposers should only include the individual work experiences that are most relevant to this RFP. Work experiences that are not relevant to this RFP will not be considered by Covered California in determining whether the Proposer is responsible.

(No more than two (2) pages per project team member.)

4.3.4 Past Projects Completed

Proposers must narratively describe up to five (5) projects they have completed in the past two (2) years that relate to the tasks listed in the SOW.

(No more than ten (10) pages.)

4.3.5 Project Assumptions

Proposers must document any assumptions they are making about the SOW, the responsibilities of the Contractor and Covered California, and any other issues relevant

to proposal submission in response to this RFP and the ability to do the work for the proposed cost.

(No more than fifteen (15) pages.)

4.3.6 Cost Proposal

Proposers must include the *Proposal Cover Page* (Attachment 1). The maximum dollar amount for the entire term of the multi-year contract will be populated in box 13 by Covered California.

Proposers must submit a detailed Exhibit B, Attachment 1 - Cost Worksheet to be used for the duration of the contract unless otherwise mutually agreed upon in writing. See samples folder posted with this RFP for examples of items listed on Exhibit B, Attachment 1- Cost Worksheet. For services not included in the Cost Worksheet, vendor will provide a written work order with specification detail which will be approved by authorized representatives of Covered California prior to starting production.

4.3.7 Client References

Using the Client References form (Attachment 7), Proposers must submit three client references served in the past three years for which Proposer provided services comparable to those listed in the SOW. At least one must be of account size similar to the one that Proposer would oversee if selected for this contract. List the most recent first. Covered California may contact and verify with any clients to which you have provided services, currently or in the past.

5. EVALUATION AND SELECTION FOR CONTRACT AWARD

Covered California will review and score each proposal submission in two phases according to the procedures and criteria set forth below in this section.

During the evaluation and selection process, Covered California will determine which Proposers, if any, are qualified to receive Proposer preferences and/or incentives and adjust their proposal scores accordingly for ranking purposes only (see Section 6, Preference and Incentive Programs).

5.1 Phase One: Administrative Requirements

Covered California will review the administrative content of each proposal and assess it as either pass or fail in terms of Proposer responsiveness. Proposal submissions must include all required administrative content to earn a passing assessment; those that do not will be deemed non-responsive and will not be evaluated further.

5.2 Phase Two: Technical Requirements

The Covered California Evaluation Team will conduct a qualitative review of the technical content of each responsive proposal to determine how responsible each Proposer is by scoring the categories of Understanding and Approach, Corporate Qualifications Summary, Project Team Qualifications, and Past Projects Completed; Project Assumptions will not be scored.

Next, the Cost Proposal score for each responsive proposal will be calculated and added to the total score.

After the proposals have been scored on each of the aforementioned categories, interviews may be conducted with the Proposers with the highest scores. The number of Proposers interviewed and the decision whether to conduct interviews at all is within the sole discretion of Covered California. If interviews are conducted, Proposers who do not score high enough to qualify for an interview will not be considered for the contract award. The specific staff to be interviewed will be agreed upon by Covered California and the Proposer at the time the interview is scheduled. Interviews, if they occur, will take place via Microsoft Teams or another mutually agreed upon virtual conferencing solution and the resulting score will be added to the total score.

Finally, any applicable Proposer preferences and/or incentives will be calculated and applied to adjust the total scores, then the highest-scored proposal from a responsible Proposer will be selected for the contract award.

5.2.1 Evaluation Categories and Criteria

Proposals containing evidence of extensive previous experience and success in similar complex projects that resembled the SOW of this RFP will receive significant consideration in the evaluation and selection process. The table below shows the evaluation categories in the Phase Two evaluation of each responsive proposal, along with their relative weights and point limits.

The Evaluation Team will score the Technical Narrative Content of each sub-category (a-d) of the responsive proposal using the evaluation and scoring criteria in the Technical Narrative and Optional Interview Scoring table shown below. Scores will then be weighted accordingly to calculate total points. See examples of weighted calculations below scoring table.

Technical Content Evaluation Categories	Weight	Total Points Available
1. Narrative Content		
a. Understanding and Approach	15%	150
b. Corporate Qualifications Summary	20%	200
c. Project Team Qualifications	20%	200
d. Past Projects Completed	15%	150
2. Cost Proposal	30%	300
Combined Total	100%	1000

If interviews are conducted, the table below will also be used. Interviews will be worth up to an additional 100 points and added to the total score.

Technical Content Evaluation Categories	Weight	Total Points Available
1. Narrative Content		
e. Understanding and Approach	15%	150
f. Corporate Qualifications Summary	20%	200
g. Project Team Qualifications	20%	200
h. Past Projects Completed	15%	150
3. Cost Proposal	30%	300
4. Interviews		100
Combined Total	100%	1100

Technical Narrative and Optional Interview Scoring	
Rating	Definition
Superior 10	Proposal exceptionally exceeds performance or capability requirements; proposal demonstrates extraordinary strengths that will more than significantly benefit Covered California.
Significantly Exceeds 8	Proposal significantly exceeds performance or capability requirements; proposal demonstrates exceptional strengths that will significantly benefit Covered California.
Exceeds 6	Proposal exceeds performance or capability requirements; proposal has one or more strengths that will benefit Covered California.
Meets 4	Meets specified minimum performance or capability requirements necessary for acceptable contract performance.
Meets with Exceptions 2	Proposal demonstrates weak performance or capability standards necessary for minimum contract performance; proposal has one or more weaknesses that offset any strengths.
Does Not Meet 0	Fails to meet specified minimum performance or capability requirements. Proposals with an unacceptable rating are not awardable.

Examples of how Technical Content scores will be weighted to achieve final scores are shown below. Cost Proposal Scores are calculated as explained in Section 5.2.1.5.

Sample Proposer A

Technical Content Evaluation Categories	Sample Score	Multiplier	Total Weighted Points	Total Points Available
1. Narrative Content				
a. Understanding and Approach	8	15	120	150
b. Corporate Qualifications Summary	8	20	160	200
c. Project Team Qualifications	6	20	120	200
d. Past Projects Completed	8	15	120	150
2. Cost Proposal	10	30	300	300
Combined Total			820	1000

Sample Proposer B

Technical Content Evaluation Categories	Sample Score	Multiplier	Total Weighted Points	Total Points Available
1. Narrative Content				
a. Understanding and Approach	8	15	120	150
b. Corporate Qualifications Summary	8	20	160	200
c. Project Team Qualifications	10	20	200	200
d. Past Projects Completed	8	15	120	150
2. Cost Proposal	5.5	30	165	300
Combined Total			765	1000

Sample Proposer C

Technical Content Evaluation Categories	Sample Score	Multiplier	Total Weighted Points	Total Points Available
1. Narrative Content				
a. Understanding and Approach	6	15	90	150
b. Corporate Qualifications Summary	8	20	160	200
c. Project Team Qualifications	8	20	160	200
d. Past Projects Completed	4	15	60	150
2. Cost Proposal	8.8	30	264	300
Combined Total			734	1000

5.2.1.1 Understanding and Approach

Scoring of this factor will be based on the Evaluation Team's assessment of the Proposer's understanding of, and insight into, the challenges, issues, and risks faced by Covered California as depicted in the Model Contract Exhibit A – Scope of Work, as well as the feasibility, efficiency, and expected effectiveness of the approaches planned by the Proposer to provide assistance to Covered California. Evaluators will assign scores

based on the information contained in the Proposer's Understanding and Approach narrative and Work Plan described above in Section 4.3.1. The Evaluation Team will consider the following in descending order of importance:

- i. Quality of the Proposer's approach in addressing the scope of responsibilities and activities, including how the Proposer will provide the flexibility to address issues as they arise while maintaining the expected level of service quality;
- ii. Quality of the Proposer's approach to the early identification of issues and risks, especially how the approach will directly contribute to resolution and mitigation; and
- iii. Demonstrated understanding of the key characteristics of the project in general and Covered California's anticipated project timeline.

5.2.1.2 Corporate Qualifications Summary

Scoring of this factor will be based on the Evaluation Team's assessment of the Proposer's historical track record and corporate resources, including financial, facilities and relevant equipment, and capacity as they relate to the SOW. Evaluators will assign scores based on the Proposer's Corporate Qualifications Summary narrative described above in Section 4.3.2.

5.2.1.3 Project Team Qualifications

Scoring of this factor will be based on 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 on information contained in the Project Team Qualifications narrative and resumes described in Section 4.3.3. The Evaluation Team will consider the following qualifications, in descending order of importance, for each Proposer's individual team member:

- i. Demonstrated capacity to successfully perform the duties in the SOW, relative to their individual role.
- ii. Demonstrated capacity to perform at a high level in multiple areas of project management;
- iii. General breadth and extent of experience, as indicated by the number of projects and duration of individual involvement in each;
- iv. Relevance of experience as indicated by the scope and subject matter of project experience; and
- v. Relevance of education, training, and certifications.

5.2.1.4 Past Projects Completed

Scoring of this factor will be based on the Evaluation Team's assessment of the breadth, depth, and relevance of the Proposer's past projects compared to the requirements detailed in the SOW, as well as corporate resources and capacity as indicated by the characteristics of projects previously completed. Evaluators will assign

scores based on information contained in the Past Projects Completed narrative described in Section 4.3.4. Scoring may also include the Proposer’s performance in past contracts with Covered California.

5.2.1.5 Cost Proposal Evaluation

Covered California will use the Exhibit B, Attachment 1 – Cost Worksheet to calculate the cost proposal scores for each Proposer using the following steps.

Step 1: Add all price points at different quantities for each item and divide that sum by the number of price points to obtain an average item cost per item. This is repeated for each table in the Cost Worksheet to obtain an average for each of the four tables:

1. Print Table
2. Storage and Fulfillment Table A
3. Storage and Fulfillment Table B
4. Account Management and System Setup Table

Three partial samples of the Cost Worksheet tables are used in the Example of Step 1 below (not reflective of actual price ranges).

Example of Step 1

Proposer A		Price by Quantity				Average Price
Item	Specs	1,000	50,000	250,000	500,000	
Poster	18"x24", 130#, etc.	\$2,020	\$13,500	\$60,000	\$115,000	\$47,630.00
Fact Sheet	11"x17" folded, 70#	\$960	\$7,500	\$32,500	\$65,000	\$26,490.00
Tri-Fold	8.5"x11" roll fold, 63#	\$300	\$3,000	\$12,500	\$20,000	\$8,950.00
Overall Table Average						\$27,690.00
Item		Unit of Measure		Rate		
Administrative Order Charge		Per order		\$3.00		
Pick and Pull charge - print items		Per SKU		\$1.00		
Pick and Pull charge - non-print		Per order		\$8.00		
Storage		Per pallet/month		\$12.00		
Overall Table Average:				\$6.00		
Item		Unit of Measure		Rate		
Receiving		Per hour		\$30.00		
Miscellaneous		Warehouse labor/hour		\$26.00		
Overall Table Average:				\$28.00		
Item		Unit of Measure		Rate		
Account Management & Hosting		Monthly		\$451.00		
Variable Imprint Template Setup		Per Setup		\$150.00		
Static (Inventory) Template Setup		Per Setup		\$50.00		
Overall Table Average:				\$217.00		

Proposer B		Price by Quantity				Average Price
Item	Specs	1,000	50,000	250,000	500,000	
Poster	18"x24", 130#, etc.	\$1,500	\$37,500	\$125,000	\$150,000	\$78,500.00
Fact Sheet	11"x17" folded, 70#	\$1,250	\$32,000	\$115,000	\$120,000	\$67,062.50
Tri-Fold	8.5"x11" roll fold, 63#	\$250	\$4,000	\$10,000	\$11,000	\$6,312.50
Overall Table Average						\$50,625.00
Item	Unit of Measure	Rate				
Administrative Order Charge	Per order	\$3.00				
Pick and Pull charge - print items	Per SKU	\$5.00				
Pick and Pull charge - non-print	Per order	\$10.00				
Storage	Per pallet/month	\$10.00				
Overall Table Average:		\$7.00				
Item	Unit of Measure	Rate				
Receiving	Per hour	\$34.00				
Miscellaneous	Warehouse labor/hour	\$30.00				
Overall Table Average:		\$32.00				
Item	Unit of Measure	Rate				
Account Management & Hosting	Monthly	\$350.00				
Variable Imprint Template Setup	Per Setup	\$200.00				
Static (Inventory) Template Setup	Per Setup	\$50.00				
Overall Table Average:		\$200.00				

Proposer C		Price by Quantity				Average Price
Item	Specs	1,000	50,000	250,000	500,000	
Poster	18"x24", 130#, etc.	\$1,250	\$25,000	\$62,500	\$100,000	\$47,187.50
Fact Sheet	11"x17" folded, 70#	\$700	\$15,000	\$50,000	\$60,000	\$31,425.00
Tri-Fold	8.5"x11" roll fold, 63#	\$400	\$12,500	\$25,000	\$30,000	\$16,975.00
Overall Table Average						\$31,862.50
Item	Unit of Measure	Rate				
Administrative Order Charge	Per order	\$3.00				
Pick and Pull charge - print items	Per SKU	\$1.00				
Pick and Pull charge - non-print	Per order	\$8.00				
Storage	Per pallet/month	\$12.00				
Overall Table Average:		\$6.00				
Item	Unit of Measure	Rate				
Receiving	Per hour	\$40.00				
Miscellaneous	Warehouse labor/hour	\$28.00				
Overall Table Average:		\$34.00				
Item	Unit of Measure	Rate				
Account Management & Hosting	Monthly	\$350.00				
Variable Imprint Template Setup	Per Setup	\$100.00				
Static (Inventory) Template Setup	Per Setup	\$51.00				
Overall Table Average:		\$167.00				

Step 2: Add up the individual overall table averages and average them together to get a final Proposer's Overall Average.

Example of Step 2

	Individual Overall Table Averages				Proposer's Overall Average
	Table 1	Table 2	Table 3	Table 4	
Proposer A	\$27,690.00	\$6.00	\$28.00	\$217.00	\$6,985.25
Proposer B	\$50,625.00	\$7.00	\$32.00	\$200.00	\$12,716.00
Proposer C	\$31,682.50	\$6.00	\$34.00	\$167.00	\$7,972.38

Step 3: Divide the lowest submitted proposal overall average price by the proposer's overall average price and multiply the quotient by ten. The equation below demonstrates this calculation.

$$\frac{\text{Lowest Proposal Overall Average}}{\text{Proposer's Overall Average}} \times 10 = \text{Cost Proposal Sample Score}$$

Fractions of cost proposal points in the resultant score will be rounded to the nearest tenth. See the Example of Step 3 in the calculation below, using the sample numbers from Examples of Step 1 and 2.

Example of Step 3

Proposer	Average Price	Calculation	Sample Score
A	\$6,985.25	$\frac{6,985.25}{6,985.25} \times 10$	10
B	\$12,716.00	$\frac{6,985.25}{12,716} \times 10$	5.5
C	\$7,972.38	$\frac{6,985.25}{7,972.38} \times 10$	8.8

5.2.1.6 Optional Proposer Interviews

After the Evaluation Team has scored each responsive proposal on the four technical content categories above, Proposers with the highest scores may be interviewed. Scoring of this factor will be based upon the Evaluation Team's assessment of the Proposer's ability to reiterate and explain the technical narrative contents of its proposal and further demonstrate comprehension of the SOW, Covered California's project timeline and goals, and how to accomplish those goals while providing optimal value. If statements made during the interview contradict the Proposer's written submission, the Proposer will be scored on the written submission.

6. PREFERENCE AND INCENTIVE PROGRAMS

Covered California will determine which Proposers, if any, are eligible to receive Proposer preferences and/or incentives and will adjust their proposal scores according to the criteria set forth below in this section, as well as any applicable State regulations.

When claiming a preference or incentive through subcontractor participation, Proposers must be aware that only Small Businesses (SBs), Microbusinesses (MBs), and/or Disabled Veteran Business Enterprises (DVBEs) that are certified by the California Department of General Services (DGS) Office of Small Business and DVBE Services (OSDS) may be subcontracted to achieve eligibility. In addition, each participating SB, MB, or DVBE subcontractor must perform a Commercially Useful Function (CUF) relevant to this solicitation. Proposers who intend to subcontract with SBs, MBs, and/or DVBEs are required to verify each subcontractor's certification with DGS OSDS to receive the preference and/or incentive. See Government Code Section 14837(d)(4) for the definition of CUF as it pertains to SBs and MBs. The definition of CUF as it pertains to DVBEs and its criteria are excerpted below.

3. CUF Definition for DVBEs

California Code of Regulations, Title 2, Section 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 section 1896.61(f); is certified in accordance with section 1896.70; and provides services or goods that contribute to the fulfillment of the contract requirements by performing CUF.

4. CUF Criteria for DVBEs

As defined in Military Veterans Code section 999, a person or an entity is deemed to perform a CUF if a person or entity satisfies **all** the following criteria:

- a. Is responsible for the execution of a distinct element of the work of the contract;
- b. Carries out the obligation by actually performing, managing, or supervising the work involved;
- c. Performs work that is normal for its business services and functions;
- d. Is responsible, with respect to products, inventories, materials, and supplies required for the contract, for negotiating price, determining quality and quantity, ordering, installing, if applicable, and making payment; and
- e. Is not further subcontracting a portion of the work that is greater than that expected to be subcontracted under 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.

6.1 How the Preferences and Incentives Work

After Covered California has evaluated and scored each responsive proposal, Proposers who are eligible for a preference and/or incentive program will receive additional points. A Proposer may be eligible to receive more than one preference or incentive. After all applicable preferences and incentives have been applied, the Proposer with the highest score will be selected for the contract award. The following example demonstrates how the preferences and incentives can affect Proposer rankings based on highest score.

In this example, Proposers A, B, and C were assessed to be both responsive and responsible. Based on Covered California’s evaluation, Proposer A, a non-SB with no committed subcontractors, is initially ranked 1st with 820 points; Proposer B, a certified SB, is ranked 2nd with 765 points; and Proposer C, a certified DVBE and a certified SB, is ranked 3rd with 734 points. Proposers B and C both receive a 5% SB preference of 41 points, which is calculated by multiplying Proposer A’s score of 820 by 0.05. Proposer C also receives a 5% DVBE incentive of 50 points, which is calculated by multiplying the maximum possible score of 1,000 by 0.05. As a result, Proposer A is now ranked 2nd with 820 points; Proposer B is now ranked 3rd with 806 points; and Proposer C is now ranked 1st with 825 points and will be awarded the contract. The table below summarizes the application of the preferences and incentives.

Example 3

	Proposer A*	Proposer B*	Proposer C*
Evaluated Total Score	820	765	734
Initial Ranking	1 st	2 nd	3 rd
Certified SB (5% Preference)	No	Yes	Yes
Certified SB Preference Points	0	41	41
25% SB Subcontractor Participation (5% Preference)	No	N/A	N/A
25% SB Subcontractor Participation Preference Points	0	N/A	N/A
Certified DVBE (5% Incentive)	No	No	Yes
Certified DVBE Incentive Points	0	0	50
DVBE Subcontractor Participation (5% Incentive maximum)	No	No	N/A
DVBE Subcontractor Participation Incentive Points	0	0	N/A
Adjusted Total Score	820	806	825
Final Ranking	2 nd	3 rd	1 st

6.2 Small Business Preference

A five percent (5%) scoring preference is available to SB and MB Proposers who are certified by DGS OSDS. To be eligible for the preference, a Proposer must meet one of the following criteria:

- i. Currently certified by DGS OSDS as a SB or MB; or

- ii. Applied for a DGS OSDS SB or MB certification by 5:00 p.m. on the proposal due date and was certified before the Notice of Intent to Award date in Section 1.2 above.

If the Proposer is currently certified, a copy of the certificate or the approval letter from DGS OSDS must be included in the proposal submission.

When a non-SB Proposer earns the highest evaluated score, the SB preference increases the score of SB and MB Proposers by adding five percent (5%) of the points earned by that non-SB Proposer. Note: If there is a tie for the highest score between a certified SB or MB Proposer and a certified DVBE Proposer that is also a SB or MB, the contract shall be awarded to the DVBE Proposer; if there is a tie for the highest score between a certified SB Proposer and a certified DVBE Proposer, the contract shall be awarded pursuant to Government Code Section 14838.

If a Proposer is eligible for the preference program and wishes to take advantage of it, the *Bidder Declaration (GSPD-05-105)* form (Attachment 5) must be completed accordingly and included in the proposal submission.

6.3 Disabled Veteran Business Enterprise Incentive

A five percent (5%) scoring preference is available to DVBE Proposers who are certified by DGS OSDS. To be eligible for the preference, a Proposer must meet one of the following criteria:

- i. Currently certified by DGS OSDS as a DVBE; or
- ii. Applied for a DGS OSDS DVBE certification by 5:00 p.m. on the proposal due date and was certified before the Notice of Intent to Award date in Section 1.2 above.

If the Proposer is currently certified, a copy of the certificate or the approval letter from DGS OSDS must be included in the proposal submission.

The DVBE incentive increases the score of a DVBE Proposer by adding five percent (5%) of the total points available, including cost proposal points. Note: If there is a tie for the highest score between a certified SB Proposer and a certified DVBE Proposer, the contract shall be awarded pursuant to Government Code Section 14838.

If a Proposer is eligible for the incentive program and wishes to take advantage of it, the *Disabled Veteran Business Enterprise Declarations (STD. 843)* form (Attachment 8) must be completed accordingly and included in the proposal submission.

6.4 Programs for Non-Small Businesses with Subcontractors

This RFP does not require Proposers to meet a minimum SB, MB, or DVBE participation percentage or goal. Participation in these programs is optional. However,

if non-SB Proposers use subcontractors, they are encouraged to subcontract with SBs, MBs, and DVBEs.

6.4.1 Small Business Subcontractor Preference

A five percent (5%) scoring preference is available to non-SB Proposers committing to twenty-five percent (25%) participation by SB and/or MB subcontractors that are certified by DGS OSDS. To be eligible for the preference, a non-SB Proposer must list the certified SB(s) and/or MB(s) that will be subcontracted if the Proposer is selected for the contract award, and the total value of the SB and MB subcontracts must be at least twenty-five percent (25%) of the total cost proposal. Each SB or MB subcontractor listed must meet one of the following criteria:

- i. Currently certified by DGS OSDS as a SB or MB; or
- ii. Applied for a DGS OSDS SB or MB certification by 5:00 p.m. on the proposal due date and was certified before the Notice of Intent to Award date in Section 1.2 above.

If the subcontractor is currently certified, a copy of the certificate or the approval letter from DGS OSDS must be included in the proposal submission.

When a non-SB Proposer earns the highest evaluated score, the SB subcontractor preference increases the score of an eligible non-SB Proposer by adding five percent (5%) of the points earned by the non-SB Proposer with the highest score. Note: Application of the SB subcontractor preference shall not remove the contract award from a certified SB or MB Proposer in favor of a non-SB Proposer.

If a subcontractor is eligible for the preference program and the non-SB Proposer wishes to take advantage it, the Proposer must complete the *Bidder Declaration (GSPD-05-105)* form (Attachment 5) accordingly and include it in the proposal submission.

6.4.2 Disabled Veteran Business Enterprise Subcontractor Preference

A scoring incentive of up to five percent (5%) is available to non-DVBE Proposers committing to a percentage of participation by DVBE subcontractors that are certified by DGS OSDS. The participation incentive amounts are shown in the table below.

Committed DVBE Participation	DVBE Incentive Amount
5% or more	5% (maximum)
4% to 4.99%	4%
3% to 3.99%	3%
2% to 2.99%	2%
1% to 1.99%	1%

To be eligible for the incentive, a non-DVBE Proposer must list the certified DVBE(s) that will be subcontracted if the Proposer is selected for the contract award, and the

total value of the DVBE subcontracts must be at least one percent (1%) of the total cost proposal. Each DVBE subcontractor listed must meet one of the following criteria:

- i. Currently certified by DGS OSDS as a DVBE; or
- ii. Applied for a DGS OSDS DVBE certification by 5:00 p.m. on the proposal due date and was certified before the Notice of Intent to Award date in Section 1.2 above.

If the subcontractor is currently certified, a copy of the certificate or the approval letter from DGS OSDS must be included in the proposal submission.

The DVBE subcontractor incentive increases the score of an eligible non-DVBE Proposer by adding between one and five percent (1%-5%) of the total points available, including cost proposal points. Note: Application of the DVBE subcontractor preference shall not remove the contract award from a certified DVBE Proposer in favor of a non-DVBE Proposer.

If a subcontractor is eligible for the incentive program and the non-DVBE Proposer wishes to take advantage of it, the Proposer must complete the *Disabled Veteran Business Enterprise Declarations (STD. 843)* form (Attachment 8) accordingly and include it in the proposal submission.

6.5 Target Area Contract Preference Act

This RFP does not include Target Area Contract Preference Act (TACPA) preferences. However, during the RFP process, Proposers may apply for the preference. When doing so, Proposers are encouraged to review their request documentation carefully to ensure that their submissions conform to the preference program's requirements. More information is available at <http://www.pd.dgs.ca.gov/disputes/default.htm>.

If the Proposer is eligible for the preference program and wishes to take advantage of it, the Proposer must complete the *Target Area Contract Preference Act Preference Request for Goods and Services Solicitations (STD. 830)* form (Attachment 9) and the *Bidder's Summary of Contract Activities and Labor Hours (DGS/PD 526)* form (Attachment 10) and include them in the proposal submission.

7. ATTACHMENTS

The attachments listed below have been provided to potential Proposers by Covered California and are hereby incorporated into this RFP.

1. Required Attachments

Number	Name
1	Proposal Cover Page
2	Payee Data Record (STD. 204)

3	Contractor Certification Form
4	Statement of Economic Interests Certification
5	Bidder Declaration (GSPD-05-105)
6	Proposal Checklist
7	Client References

2. Optional Attachments

Number	Name
8	Disabled Veteran Business Enterprise Declarations (STD. 843)
9	Target Area Contract Preference Act Preference Request for Goods and Services Solicitations (STD. 830)
10	Bidder's Summary of Contract Activities and Labor Hours (DGS/PD 526)

8. MODEL CONTRACT WITH EXHIBITS

The model contract and exhibits listed below have been provided to potential Proposers by Covered California and are hereby incorporated into this RFP.

1. Model Contract

A Standard Agreement (STD. 213) form will be the cover and signature page for the contract.

2. Exhibits

- i. Exhibit A – Scope of Work
- ii. Exhibit B – Budget Detail and Payment Provisions
- iii. Exhibit B, Attachment 1 – Cost Worksheet
- iv. Exhibit C – General Terms and Conditions
- v. Exhibit C, Attachment 1 – Resumes
- vi. Exhibit D – Privacy Addendum
- vii. Exhibit E – Contractor's Release
- viii. Exhibit F – Covered California Brand Style Guide