Request for Proposal

RFP 2026-09: Enterprise Strategic Planning Services

Addendum #3 - November 20, 2026

Document	Section	Changes
Exhibit A – Scope of Work	E.2.2. Work Stream 2 - Strategic Goal Development and Leadership Alignment	Updates Workstream 2 dates
Exhibit B - Budget Detail and Payment Provisions	A.3 Invoicing and Payment	Updates cadence of invoicing

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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 organization 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 Proposer organizations. 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 1.3 below.

1.2 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:	November 4, 2026
RFP Questions Due Date and Time:	November 12, 2026 by 4:00 PM PT
Responses to Questions Posted By:	November **17**, 2026
Proposal Due Date and Time:	November 24, by 4:00 PM PT
Proposer Interviews:	December 14-18, 2026
Notice of Intent to Award:	Week of December 28, 2026
Anticipated Contract Term:	January 15, 2027 to January 14, 2028

1.3 Contact

For questions regarding this RFP, contact Covered California via email at HBEXSolicitation@covered.ca.gov with “RFP 2026-09” in the subject line. The Covered California contact for this solicitation is Miranda Wilson.

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

1.4 Contract Term

The initial term of the contract shall be for one (1) year, from January 15, 2027, to January 14, 2028; 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.

1.5 Contract Amount

Proposal submissions shall not exceed $1,000,000.00 in total proposed costs. Proposals that exceed this amount will not be considered for selection. It is expected that the approved funding for the contract will not exceed $1,000,000.00, including any extensions of the term.

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.

1.6 Contract Amendment

Covered California may, at its sole discretion, extend the term of the contract for up to one (1) year for the same service. The total number of contract years shall not exceed two (2) years.

The parties may increase or decrease funding through an amendment, but cannot exceed the amount or rates set by Contractor's proposal. Funding for options years may not be used in advance and may not exceed the funding amount set in the initial contract term unless authorized by the solicitation.

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.

1.7 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 1.2. Only questions sent to the email address provided in Section 1.3 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.

1.8 Submission of Proposals

1. Proposers' Cost: Costs for developing proposals and attending Proposers' Conferences 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 1.3 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 Scope of Work (SOW) and the selected Proposer's proposal, including proposed cost, will be incorporated by reference into the resulting contract.

1.9 Format of Proposals

Proposers must submit a proposal package that contains all required attachments, documents, narrative responses, and Model Contract exhibits. Proposals must be submitted electronically via email to HBEXSolicitation@covered.ca.gov with "RFP 2026-09" 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 in PDF format. Signatures must be provided by an authorized signatory who is authorized to contractually bind the Proposer organization.

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. Expensive bindings, colored displays, promotional materials, etc., are not necessary nor desired.

   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 (1)-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 organization'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 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.

1.10 Covered California's Rights

1. Verification of Proposer Information

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

   a. 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

   b. 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.

1.11 Rejection of Proposals

1. 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.

2. Proposals that are not received by the date and time specified in Section 1.2 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 his/her designee specifying the reason(s) for acceptance and consideration of the untimely proposal.

3. 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:

   a. Reject any or all proposals received in response to this RFP, or portions of proposals;

   b. Amend or cancel this RFP at any time, after which Covered California may reissue the RFP at a later date; and

   c. Consider a Proposer's past contract performance with Covered California in its selection of a Proposer pursuant to this RFP.

4. Non-Responsive Proposals

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

   a. The proposal is received after the exact time and date set forth in Section 1.2 Key Action Dates for receipt of each submission;

   b. The Proposer fails to meet one (1) or more of the minimum qualifications specified in Section 2, Project Team;

   c. The Proposer fails to submit or fails to complete and sign any required attachments as instructed in this RFP;

   d. The proposal contains false, inaccurate, or misleading statements or references;

   e. The Proposer is unwilling or unable to fully comply with Covered California's proposed contract provisions; or

   f. The Proposer supplies conditional cost information, incomplete cost information, or cost information containing unsigned/uninitiated alterations or irregularities.

5. 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:

6. Corporation in Good Standing

   As required by California law, Proposer organizations 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 organization 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.

7. State Tax Delinquency

   a. 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.

   b. 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.

   c. The list established by CDTFA can be found at: https://www.cdtfa.ca.gov/taxes-and-fees/top500.htm.

8. Executive Order N-6-22 – Russia Sanctions

   On March 4, 2022, Governor Gavin Newsom issued Executive Order N-6-22 (the EO) regarding Economic Sanctions against Russia and Russian entities and individuals. "Economic Sanctions" refers to sanctions imposed by the U.S. government in response to Russia's actions in Ukraine, as well as any sanctions imposed under state law. By submitting a bid or proposal, Contractor represents that it is not a target of Economic Sanctions. Should Covered

California determine Contractor is a target of Economic Sanctions or is conducting prohibited transactions with sanctioned individuals or entities, that shall be grounds for rejection of the Contractor's bid/proposal any time prior to contract execution, or, if determined after contract execution, shall be grounds for termination by Covered California.

1.12 Errors in Proposals

1. 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.

    a. 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.

    b. Covered California may, in its sole discretion, correct obvious clerical errors.

    c. A Proposer may modify a proposal after submission by withdrawing its original proposal and resubmitting a new one (1) as long as 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.

    d. 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.

    e. No oral understanding or contract shall be binding on either party.

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

1.13 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 his/her 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 his/her 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:

   a. Protester reasonably believes that Covered California has acted in an arbitrary and capricious manner; and/or

   b. 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. Protests must be <u>received</u> 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 emailed to the email address shown in Section 1.3 above.

   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 his/her designee. Trade secret, proprietary, and confidential information will be redacted from any documents disclosed to protester as part of the protest process.

1.14 Debrief Process

1. Once the contract has been awarded, any bidder can request a debrief of their bid by emailing the BSB contract analyst at HBEXSolicitation@covered.ca.gov. Debriefs will be coordinated with bidders upon request up to 10 business days after the Notice of Intent to Award is released. If a request is received after this date, it will be declined.

2. The Contract Analyst will work with the Evaluation Team to determine which sections of the Evaluation and Selection Report (ESR) will be shared with the requested bidder.

3. A debrief will be presented via written letter, email, phone, or video call (i.e., Microsoft Teams, Zoom, etc.) at the discretion of the Contracts Unit.

4. Per Government Code Section 100508, the debrief will not include the deliberative processes, discussions, communications, any other portion of the negotiations, records that reveal claims data, encounter data, cost detail, information about payment methods, contracted rates paid by qualified health plans to providers, or enrollee coinsurance or other cost sharing that can be used to determine contracted rates paid by plans to providers.

1.15 Disposition of Proposals

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

1.16 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.

1.17 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.

1.18 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.

1.19 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.

2. 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 Project Team Minimum Qualifications

The required minimum qualifications for Proposers include the following:

1. A minimum of three (3) examples of strategic planning engagements where your firm produced an implementable plan with Objectives and Key Results (OKR) and Key Performance Indicators (KPI) and budget linkage for a public-sector or nonprofit organization of comparable scale.

2. Specific examples of how your firm ensured a strategic plan was adopted and used, not just delivered.

3. Demonstrated strategic-planning experience with health insurance exchanges or marketplaces. The proposer must show direct experience leading or supporting strategic planning for at least three (3) distinct health insurance exchanges or marketplaces. Relevant work should address exchange-specific priorities such as coverage and enrollment, affordability, health equity, stakeholder engagement, regulatory requirements, and operational or market changes. Experience must include state-based and/or federally facilitated marketplaces.

4. Demonstrated experience supporting public-sector and other mission-driven health care organizations. The proposer must show experience developing and implementing strategy for public-sector or nonprofit entities, with a clear understanding of the constraints and considerations that shape their work—including public accountability, statutory and regulatory requirements, diverse stakeholder needs, and the balance between mission, equity, and operational sustainability.

5. References for at least two (2) of the engagements described, including contact information for a senior client representative (Attachment 8 – Client References).

2.2 Project Team Desirable Qualifications

Covered California seeks Proposers with the following desirable qualifications:

1. Experience leading or supporting strategic planning for five (5) or more distinct health insurance exchanges or marketplaces.

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 Contactor, the Contractor shall assign an acceptable substitute employee.

3. SCOPE OF WORK

3.1 Background

1. 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).

2. The goals and objectives of Covered California are to:

    a. 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);

    b. Strengthen the health care delivery system;

    c. Serve as an active purchaser, including creating competitive processes to select participating carriers and other contractors;

    d. 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

    e. Meet federal and state law requirements, guidance and regulations.

3. Covered California is an independent public entity within California State Government. It is governed by a five (5)-member board appointed by the Governor and Legislature.

4. Covered California works in close partnership with:

    a. The Department of Health Care Services, which oversees and administers California's Medicaid Program (Medi-Cal) and other specifically-focused health programs;

    b. The two (2) agencies that regulate health insurance in California, the Department of Managed Health Care and the Department of Insurance; and

    c. A broad range of stakeholders whose constituencies may be impacted by health care reform.

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

3.2 Purpose

Covered California is issuing this Request for Proposals (RFP) to identify and engage a qualified consulting firm to support the development of its next three (3) to five (5) year Enterprise Strategic Plan. The selected consultant will deliver an

implementable, evidence-based strategic plan that produces a small number of bold, cross-divisional strategic goals—supported by measurable OKRs and KPIs, a phased implementation roadmap, strategic budgeting alignment, annual business planning tools that will enable the organization to execute on the plan while remaining flexible from year to year, and an organization-wide communications and training plan.

This engagement prioritizes independent analytic work over a meeting-heavy process. The final deliverable must be a set of tools that can be adopted and used by the organization; not a presentation deck that is not operationalized.

3.2.1 Project Background

Covered California is California's Health Insurance Marketplace, established under the Affordable Care Act (ACA). Covered California administers the state's individual and small-group insurance markets, manages plan certification and consumer enrollment, and oversees outreach, marketing, and service operations for millions of Californians.

Covered California's current strategic plan is in its final cycle. The organization must now develop a new three (3) to five (5) year strategic plan that reflects the evolving Federal and California policy landscape, member expectations increasingly oriented toward digital-first experiences, and the internal imperative to balance day-to-day operations with long-term organizational direction.

Key strategic imperatives shaping this process include:

1. Financial sustainability in the face of evolving federal and state funding;
2. Healthcare landscape transformation, including digital health, value-based care, and AI adoption;
3. Shifting member expectations and the need for modernized consumer experiences;
4. Policy and regulatory agility in response to ACA-related federal and state legislative changes;
5. Enterprise alignment across all divisions to maximize collective organizational impact; and
6. Future-ready workforce development and organizational capability building.

The new strategic plan will serve as a road map for Covered California to set priorities, focus its energy and resources, strengthen operations, ensure that employees and other stakeholders are working toward common goals, and establish agreement around intended outcomes. The plan will be in alignment with Covered California's existing vision, mission, and values.

3.3 Scope of Work

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

3.4 Contract Completion Criteria

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

3.5 Project Assumptions and Constraints

1. The Contractor's work hours shall be consistent with Covered California's key staff on-site, 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. Rates identified in the Cost Sheet shall be fully loaded and inclusive of all direct and indirect costs for all activities, labor, materials, tools, equipment, and travel required to perform and/or support services under this Agreement. Travel will not be reimbursed under the contract.

4. Any modifications to tasks within Exhibit A – Scope of Work 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.

3.6 Payment and Invoicing

If the collection of fees assessed from QHPs are collectively not sufficient 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.

1. Administrative Requirements
    a. Required attachments
    b. Required documents
    c. Updated Model Contract with Exhibits
2. Technical Requirements
    a. Understanding and Approach
    b. Corporate Qualifications Summary
    c. Project Team Qualifications
        i. Resumes
    d. Past Projects Completed
    e. Project Assumptions
    f. 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

1. 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 organization. Photocopies of wet signatures and electronic signatures are acceptable.

a. The *Proposal Cover Page* form (Attachment 1) completed and signed;

b. The *Payee Data Record (STD. 204)* form (Attachment 2) completed and signed;

c. The *Contractor Certification Form* (Attachment 3) completed and signed;

d. The *Statement of Economic Interests Certification* form (Attachment 4) completed and signed;

e. The *Bidder Declaration (GSPD-05-105)* form (Attachment 5) completed and signed;

f. The *Proposal Checklist* (Attachment 6) completed;

g. The *Generative Artificial Intelligence Risk Assessment (HBEX 707)* (Attachment 7) completed; and

h. The Client References (Attachment 8) completed.

2. 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). 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.

3. If the Proposer wishes to claim the DVBE incentive and/or the SB preference (see Section 6, Preference and Incentive Programs), the following optional attachments must also be included, as applicable:

   a. The Disabled Veteran Business Enterprise Declarations (STD. 843) form (Attachment 8) completed and signed;

4.2.2 Required Documents

1. Proposals must include the following required insurance documents:

   a. A Certificate of Liability Insurance equal to or greater than $1,000,000.00;

   b. Proof of Workers' Compensation Liability Insurance;

c. 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; and

d. Proof of Professional Liability Insurance.

2. If the Proposer cannot include a Certificate of Liability Insurance and/or a Certificate of Automobile Liability Insurance and/or Proof of Professional 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 (1) or more 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 these required Certificates and will award the contract to the next highest-scored Proposer if the Contractor fails to produce the Certificate(s) prior to contact execution.

3. If the Proposer organization is incorporated, proof of Active status with the California SOS must be provided in one (1) of the following forms:

   a. A copy of the Proposer's current Certificate of Status issued by the SOS; or

   b. A copy of the Proposer's Entity Detail page from the SOS's Business Search website (https://bizfileonline.sos.ca.gov/search/business) .

4.2.3 Updated Model Contract with Exhibits

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

   a. Using the Model Contract Exhibit A – Scope of Work provided, include a revised Exhibit A – Scope of Work with suggested tracked changes in Microsoft® Word®.

   b. 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®.

   c. 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®.

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

4.2.4 Generative Artificial Intelligence (GenAI)

Covered California seeks to realize the potential benefits of GenAI, through the development and deployment of GenAI tools, while balancing the risks of these new technologies.

Proposer must notify the State in writing if their solution or service includes, or makes available, any GenAI including GenAI from third parties or subcontractors.

Failure to submit the Generative Artificial Intelligence Risk Assessment (HBEX 707) will result in disqualification of the Proposer.

Failure to report GenAI to Covered California may void any resulting contract. Covered California reserves its right to seek any and all relief it may be entitled to as a result of such non-disclosure.

Upon receipt of a Proposer's Generative Artificial Intelligence Risk Assessment (HBEX 707), Covered California reserves the right to incorporate GenAI Special Provisions into the final contract or reject bids/offers that present an unacceptable level of risks.

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 include their 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 in chronological order.

Proposers shall include:

- Your firm's methodology for producing strategy from analysis and evidence, not workshops alone. Explain how your analytic approach will ensure the diagnostic and strategic framework are grounded in data, not just facilitated input.
- Your approach to conducting a landscape scan and analysis, including specific methods for federal and California policy analysis, competitive benchmarking, and market research.
- Your approach to designing and co-facilitating leadership alignment sessions in a way that is low-burden and decision-ready—not a long series of workshops that do not culminate in actionable outcomes.
- How you will ensure that the final strategic plan is adopted and operationalized, not just submitted and filed.

(No more than ten (10) pages.)

4.3.2 Corporate Qualifications Summary

1. 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.
2. Proposers must narratively describe their overall capability and available resources and provide specific examples, as these factors relate to the general requirements set forth in Model Contract Exhibit A – Scope of Work, including the following:
    a. Ability to manage the project and the risks involved;
    b. Ability to complete projects on time and within budget;
    c. Ability to provide quality deliverables; and
    d. Evidence of experience performing the services outlined in the SOW, including the total number of years the Proposer has been providing these services.
    e. A minimum of three (3) examples of strategic planning engagements where your firm produced an implementable plan with OKR and KPI and budget linkage for a public-sector or nonprofit organization of comparable scale.
    f. Specific examples of how your firm ensured a strategic plan was adopted and used, not just delivered.

g. Demonstrated strategic-planning experience with health insurance exchanges or marketplaces. The proposer must show direct experience leading or supporting strategic planning for at least three (3) distinct health insurance exchanges or marketplaces, with experience across five (5) or more preferred. Relevant work should address exchange-specific priorities such as coverage and enrollment, affordability, health equity, stakeholder engagement, regulatory requirements, and operational or market changes. Experience must include state-based and/or federally facilitated marketplaces.

h. Demonstrated experience supporting public-sector and other mission-driven health care organizations. The proposer must show experience developing and implementing strategy for public-sector or nonprofit entities, with a clear understanding of the constraints and considerations that shape their work—including public accountability, statutory and regulatory requirements, diverse stakeholder needs, and the balance between mission, equity, and operational sustainability.

i. References for at least two (2) of the engagements described, including contact information for a senior client representative (Attachment 8 – Client References).

(No more than five (5) 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 Scope of Work. Please carefully review Exhibit A 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 and number of hours of that staff will be dedicated to the work detailed in Model Contract Exhibit A – Scope of Work. Proposers must list the anticipated time commitment (in hours) for each team member per project phase. Proposers must identify level of senior involvement committed (i.e. describe which tasks will be performed directly by senior staff versus delegated to junior staff). Proposers must list each team member's relevant experience with healthcare, ACA marketplace, public-sector, or comparable organizational strategy work.

(No more than four (4) pages.)

4.3.3.1 Resumes

1. 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:

    a. The total duration (i.e., the start month and year, the end month and year, and the total number of years and months); and

    b. A description of specific experience with healthcare, ACA marketplace, public-sector, or comparable organizational strategy work (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).

2. 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.

4.3.4 Past Projects Completed

Proposers must narratively describe up to five (5) projects they have completed that relate to the tasks listed in Model Contract Exhibit A – Scope of Work.

(No more than five (5) 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 two (2) pages.)

4.3.6 Sample Work Products

Proposers must submit representative samples of the following:

1. An implementation roadmap from a prior engagement, demonstrating phased milestones, dependencies, and risk documentation

2. A KPI scorecard or library from a prior engagement, with defined owners, baselines, targets, and data sources

3. An organizational communications toolkit or rollout plan from a prior engagement

(No more than four (4) pages.)

4.3.7 Cost Proposal

Proposers must state the total dollar amount of their cost proposal for the entire contract where indicated on the *Proposal Cover Page* (Attachment 1). By signing Attachment 1, the Proposer organization certifies the dollar amount of the total cost proposal, which shall be binding for the term of the contract.

In addition, Proposers must submit the following in Exhibit B, Attachment 1:

1. A detailed cost proposal with a not-to-exceed maximum contract amount

2. Hourly rates for all staff classifications proposed for this engagement

5. EVALUATION AND SELECTION FOR CONTRACT AWARD

Covered California will review and score each proposal submission in two (2) 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, Past Projects Completed, and Sample Work Products; Project Assumptions will not be scored.

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

After the proposals have been scored on each of the aforementioned categories and cost, 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.

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.

Technical Content Evaluation Categories	**Weight**	**Points**
1. Narrative Content	50% total	500 total
a. Understanding and Approach	20%	200
b. Corporate Qualifications Summary	5%	50
c. Project Team Qualifications	5%	50
d. Past Projects Completed	10%	100
e. Sample Work Products	10%	100
2. Cost Proposal	30%	300
3. Interview	20%	200
Combined Total	**100%**	**1000**

The Evaluation Team will score the narrative technical content of each responsive proposal using the evaluation and scoring criteria shown in the table below. If interviews are conducted, these same criteria will be utilized to score the Proposers who were interviewed.

Technical Content Evaluation Criteria						
Qualitative Rating	**Relation to Project Requirements**	**Strengths**	**Deficiencies**	**Weaknesses**	**Likelihood of Success**	**Scoring Range**
Excellent	Superior attainment of all requirements	Numerous and significant in key areas	None	Minor, if any	Very High	81-100% of available points
Good	Expected to meet all requirements	Some and significant in key areas	None	Minor, but are far outweighed by strengths	High	61-80% of available points
Acceptable	Capable of meeting all requirements	Some in non-key areas	Minor	Minor, but are outweighed by strengths	Fair	41-60% of available points
Marginal	May not be capable of meeting all requirements	None, or some that are outweighed by weaknesses or deficiencies	Significant	Significant	Poor	21-40% of available points
Unacceptable	Not likely to meet all requirements	None, or some that are far outweighed by weaknesses or deficiencies	Needs major revision	Needs major revision	None	0-20% of available points

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 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:

1. 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;

2. 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

3. 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 corporate resources, capacity, and historical track record 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 in descending order of importance:

1. Demonstrated capacity to successfully assume responsibility comparable to that proposed for the individual in the project engagement;

2. Demonstrated capacity to perform at a high level in multiple areas of project management;

3. General breadth and extent of experience, as indicated by the number of projects and duration of individual involvement in each;

4. Relevance of experience as indicated by the scope and subject matter of project experience; and

5. 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 Model Contract Exhibit A – Scope of Work, 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 be based on the Proposer's performance in past contracts with Covered California.

5.2.1.5 Sample Work Products

Scoring of this factor will be based on the Evaluation Team's assessment of the breadth, depth, and relevance of the Proposer's sample work products compared to the requirements detailed in Model Contract Exhibit A – Scope of Work. Evaluators will assign scores based on information contained in the Sample Work Products narrative described in Section 4.3.6.

5.2.1.6 Cost Proposal

Covered California will calculate the cost proposal scores for each Proposer by dividing the dollar amount of the lowest cost proposal by the dollar amount of each cost proposal, then multiplying those quotients by the maximum number of cost proposal points available. The equation below demonstrates this calculation.

$$\frac{\text{Lowest cost proposal}}{\text{Proposer's cost proposal}} \text{ X } \text{Cost proposal points maximum} = \text{Cost proposal score}$$

Fractions of cost proposal points in the resultant score will be rounded up or down to the nearest whole number. See the example calculation below, which shows how many cost proposal points three (3) hypothetical Proposers would receive with a maximum of 300 cost proposal points.

Proposer	Cost Proposal	Calculation	Cost Proposal Score
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

5.3 Phase 3: Proposer Interviews

In the event that Covered California chooses to proceed with interviews, after the Evaluation Team has scored each responsive proposal on the five (5) technical content categories and cost, the three (3) Proposers with the highest scores will be interviewed.

If Covered California elects to conduct interviews, the three (3) Proposers with the highest scores will be interviewed after the Evaluation Team evaluates each responsive proposal against the five (5) technical content categories and cost. Scoring of this factor will be based upon the Evaluation Team's assessment of the Proposer's ability to reiterate and explain the narrative technical contents of its proposal and further demonstrate comprehension of the Scope of Work, Covered California's project timeline and goals, and how to accomplish those goals while providing optimal value. Covered California will reject any proposed material deviations from the Proposer's Model Contract exhibits and/or Work Plan as submitted in the proposal package.

To be eligible for award, a Proposer selected for interview must receive at least 150 of the 200 available Interview points. This minimum is based solely on the Proposer's raw Interview score, before applying any preference or incentive points. A Proposer receiving fewer than 150 Interview points is ineligible for award and will not be included in the final award ranking, regardless of its total score or any preference or incentive points.

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 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.

1. 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.

2. 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** of 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.

Proposers understand and agree that, if this Agreement is awarded based in part on their commitment to use a DVBE subcontractor(s) identified in their proposal, then a DVBE subcontractor may only be replaced by another DVBE subcontractor and must be approved by Covered California. This is required by Section 999.5(e) of the Military and Veterans Code. Changes to the Scope of Work that impact the DVBE subcontractor(s) identified in the proposal and approved DVBE substitutions shall be documented by an amendment to the Agreement.

Failure of the Contractor to seek substitution and adhere to the DVBE participation level identified in the proposal may be cause for contract termination, recovery of damages under rights and remedies due to Covered California, and penalties as outlined in Section 999.9 of the Military and Veterans Code.

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 (1) preference or incentive. After all applicable preferences and incentives have been applied, the Proposer with the highest score may be selected for 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 940 points; Proposer B, a certified SB, is ranked 2nd with 915 points; and Proposer C, a certified DVBE and a certified SB, is ranked 3rd with 895 points. Proposers B and C both receive a 5% SB preference of 47 points, which is calculated by multiplying Proposer A's score of 940 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 3rd with 940 points; Proposer B is now ranked 2nd with 962 points; and Proposer C is now ranked 1st with 992 points and will be awarded the contract. The table below summarizes the application of the preferences and incentives.

	Proposer A	Proposer B	Proposer C
Evaluated Total Score	940	915	895
Initial Ranking	1st	2nd	3rd
Certified SB (5% Preference)	No	Yes	Yes
Certified SB Preference Points	0	47	47
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	940	962	992
Final Ranking	3rd	2nd	1st

6.2 Small Business Preference

1. 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 (1) of the following criteria:

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

b. 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.

2. 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.

3. 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.

4. 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

1. 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 (1) of the following criteria:

   a. Currently certified by DGS OSDS as a DVBE; or

   b. 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.

2. 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.

3. 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.

4. 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

1. 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 (1) of the following criteria:

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

   b. 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.

2. 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.

3. 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.

4. 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

1. 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%

2. 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 (1) of the following criteria:

   a. Currently certified by DGS OSDS as a DVBE; or

   b. 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.

3. 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.

4. 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.

5. 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.

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	Generative Artificial Intelligence Risk Assessment (HBEX 707)
8	Client References

2. Optional Attachments

Number	Name
2a	Payee Data Record Supplement (STD. 205)
9	Disabled Veteran Business Enterprise Declarations (STD. 843)

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

   a. Exhibit A – Scope of Work

   b. Exhibit B – Budget Detail and Payment Provisions

   c. Exhibit B, Attachment 1 – Cost Worksheet

   d. Exhibit C – General Terms and Conditions

   e. Exhibit C, Attachment 1 – Resumes