



**Invitation for Bid
IFB 2022-20: Employee Fitness for Duty Medical
Evaluations**

May 15, 2023

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1. INTRODUCTION

1.1 Overview

Potential Bidders are invited to review and respond to this Invitation for Bid (IFB). By submitting a bid, the Bidder organization agrees to the terms and conditions stated in this IFB. Bidders shall provide Employee Fitness For Duty Medical Evaluations to determine an employee’s capacity to perform their job functions for one or both of the following Covered California regions.

Potential Bidders should carefully read this document and all attachments in their entirety, as they may contain binding provisions that affect the rights and obligations of Bidder organizations. Bidders must comply with the instructions contained in this document. Bids for this IFB must be submitted to the Covered California contact designated in Section 1.3 below.

1.2 Key Action Dates

Bidders 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

Invitation for Bid Release Date:	May 15, 2023
IFB Questions Due Date and Time:	May 18, 2023 by 2:00 PM
Responses to Questions Posted By:	May 23, 2023
Bid Due Date and Time:	May 31, 2023 by 2:00 PM
Bid Opening	June 1, 2023 – TBD via Microsoft Teams
Notice of Intent to Award:	Week of June 5, 2023
Anticipated Contract Term:	July 1, 2023 to June 30, 2026

1.3 Contact

For questions regarding this IFB, contact Covered California via email at HBEXSolicitation@covered.ca.gov with “IFB 2022-20” in the subject line. The Covered California contact for this solicitation is Julie Chan.

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

1.4 Contract Term

The initial term of the contract shall be for three (3) years, from July 1, 2023 to June 30, 2026; 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 Bidder and Covered California. Covered California will not pay for any services performed prior to the execution of a valid contract.

1.5 Contract Amount

Bid submissions shall not exceed \$132,000.00 in total bid price. Bids that exceed this amount will not be considered for selection. It is expected that the approved funding for the contract will not exceed approximately \$44,000.00 per year for the term of the contract, 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 two (2) years in addition to the original agreement term, if agreed by both parties. The total number of contract years shall not exceed five (5) years.

The parties may increase or decrease funding through an amendment, but cannot exceed the amount or rates set by Contractor's bid. 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 IFB Questions

Prospective Bidders must submit any questions regarding this IFB 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 Bidders must provide enough specific information to enable Covered California to identify and respond to their questions. When submitting questions, please reference the IFB number in the subject line.

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

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

1.8 Submission of Bid

1. Bidders' Cost: Costs for developing bids and attending Bidders' Conferences are entirely and solely the responsibility of the Bidder and are not chargeable to Covered California.
2. Completion of Bids: Bidders are required to be both responsive (fully compliant) and responsible (capable and qualified to perform work) relative to the solicitation requirements. Bids must be complete in all respects and contain all required items as described in the requirements established within this IFB, its attachments, and any written responses to questions or amendments posted by Covered California on its website. A bid may be rejected by Covered California, in its sole discretion, if the bid is conditional, incomplete, or irregular in any way. A bid must be rejected by Covered California if any defect or irregularity constitutes a material deviation from the IFB requirements as determined by Covered California, in its sole discretion.
3. False or Misleading Statements: Bids which contain false or misleading statements or which provide references that do not support an attribute or condition claimed by the Bidder may be rejected. If, in the sole opinion of Covered California, such information was intended to mislead Covered California in its evaluation of the bid or was included as a result of gross negligence attributable to the Bidder, and the attribute, condition, or capability is a requirement of this IFB, it shall be grounds for rejection of the bid.
4. Errors: If a Bidder discovers any ambiguity, conflict, discrepancy, omission, or other error in this IFB, the Bidder 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 IFB. 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 Bidder's failure to correct errors, nor for any Bidder's failure to regularly and timely check the website for changes.
5. Importance of Meeting Deadlines: Bidders are responsible and assume all risks for the delivery and receipt by Covered California of all bid submissions prior to the submission deadline. The stated deadlines for submitting a bid 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 Bids: All bids will be assessed based on the evaluation criteria as set forth in this IFB and in Covered California's sole discretion. The selection and contract award, if made, will be made to a single Bidder unless otherwise specified in this IFB. The Scope of Work (SOW) and the selected Bidder's bid, including bid price, will be incorporated by reference into the resulting contract.

1.9 Bid Opening

The Bid Opening will occur via Microsoft Teams. Bidders will be sent an email invite to attend. The email invitation will include the Microsoft Teams link and will be sent no later than the morning of the Bid Opening date specified in Section 1.2, above.

During the Bid Opening, the Covered California Contract Analyst will read aloud each bid received in a timely manner and record the Bidder's name and Bid Price listed on Attachment 1 – Bid Cover Page. Bidders are not required to attend the Bid Opening.

Following the Bid Opening, the Covered California Contract Analyst will further verify and evaluate the bids as described in this solicitation to determine the lowest responsive responsible Bidder.

1.10 Format of Bids

Bidders must submit a bid package that contains all required attachments, documents, narrative responses, and Model Contract exhibits. Bids must be submitted electronically via email to HBEXSolicitation@covered.ca.gov with "IFB 2022-20" in the subject line. Hard copy bids will not be accepted and will be deemed non-responsive.

1. Electronic Signatures

Bidders 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 Bidder organization.

2. Model Contract with Exhibits

All bids must be based on and conform to the Model Contract provided with this solicitation. Bidders should review the Model Contract in its entirety prior to submitting a bid. Bidders must submit as part of their bids any changes or exceptions to the Model Contract that they wish to suggest. However, extensive or significant changes or exceptions to the Model Contract may make the bid non-responsive to the IFB if Covered California, in its sole discretion, determines that the proposed changes or exceptions materially change the contractual relationship between the parties. Bidder-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 bid package at the time of submission. No additional changes or exceptions may be presented after the contract has been awarded. Covered California reserves the right to reject all changes and exceptions in the bid package.

1.11 Covered California's Rights

1. Verification of Bidder Information

By submitting a bid, the Bidder authorizes Covered California to do the following:

- i. Verify any and all claims made by the Bidder, 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 Bidder, or any other resource known or identified by Covered California, to confirm the Bidder'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 IFB prior to the bid 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 bid that does not satisfy the requirements set forth in this IFB. Before submitting a response to this IFB, prospective Bidders should review and correct all errors and confirm compliance with all of the IFB requirements.

1.12 Rejection of Bids

Deviations may cause a bid to be deemed non-responsive and to not be considered for award. Covered California may reject any or all bids and/or may waive any immaterial deviation or defect in a bid. Covered California's waiver of any immaterial deviation or defect shall in no way modify the IFB documents or requirements and shall not excuse the Bidder from full compliance with the IFB specifications if awarded the contract.

Bids that are not received by the date and time specified in Section 1.2 Key Action Dates or are not sealed will remain unopened and, if delivery is accepted, will be maintained separately from bids that have been timely received. Bids received after the due date may only be opened and 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 bid.

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

1. Non-Responsive Bids

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

- i. The bid is received after the exact time and date set forth in Section 1.2 Key Action Dates for receipt of each submission;
- ii. The Bidder fails to meet one or more of the minimum qualifications specified in Section 2, Project Team;
- iii. The Bidder fails to submit or fails to complete and sign any required attachment as instructed in this IFB;
- iv. The bid contains false, inaccurate, or misleading statements or references;
- v. The Bidder is unwilling or unable to fully comply with Covered California's proposed contract provisions; or
- vi. The Bidder supplies conditional cost information, incomplete cost information, or cost information containing unsigned/uninitiated alterations or irregularities.

2. Business in Good Standing

Bidder 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, Bidder organizations must be in good standing and qualified to do business in California. If the Bidder organization is incorporated, the Bidder's status with the California Secretary of State (SOS) must be Active; a status of Cancelled or Suspended will cause the Bidder to be deemed non-responsive. This requirement does not apply to sole proprietors and general partnerships. Unless otherwise specified, the Bidder 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 Bidder is not on a prohibited list due to tax delinquencies. The bid will be considered non-responsive if the Bidder 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>.

3. **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.

1.13 Errors in Bids

An error in a bid may cause the rejection of that bid; however, Covered California may, in its sole discretion, retain the bid and make certain corrections. In determining if a correction will be made, Covered California will consider the conformance of the bid to the format and content required by this IFB.

1. If the Bidder's intent, as determined by Covered California, is clearly established based on its review of the complete bid 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 Bidder may modify a bid after submission by withdrawing its original bid and resubmitting a new one as long as it is received prior to the bid submission deadline. Modifications offered by a Bidder in any other manner, oral or written, will not be considered.
4. A Bidder may withdraw its bid by submitting a written withdrawal request to Covered California, signed by the Bidder or an authorized agent. Bids may not be withdrawn subsequent to the bid submission deadline without cause.

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

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

1.14 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 Bidder may protest the intended award to another Bidder by following the terms and conditions outlined below. The protestant challenging Covered California's intended award bears the burden of proof.

2. Grounds

Protestant 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 protestant has demonstrated sufficient grounds to allow the protest to be heard. Abuse of the protest process by unsuccessful Bidders for the purpose of securing confidential information about other Bidders will be rejected by Covered California. The sole grounds for a protest are:

- i. Protestant reasonably believes that Covered California has acted in an arbitrary and capricious manner; and/or
- ii. Protestant reasonably believes that Covered California committed an error in the bidding 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 bids.

3. Requirements for Protest

Protests must be submitted in writing, signed by an individual who is authorized to contractually bind the Bidder, 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 protestant 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 protestant should obtain a delivery receipt. 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 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 Bidders' submissions, or any other record created during the review of bids submitted in response to this IFB are not public records and are exempt from disclosure as public records pursuant to Government Code section 100508(a).

A protestant who has demonstrated a legitimate ground for protest as described above may be provided limited access to certain relevant, non-public information regarding the IFB and Covered California's consideration of submissions in response to the IFB upon the protestant'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 protestant as part of the protest process.

1.15 Disposition of Bids

Upon bid opening, all documents submitted in response to this IFB 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 IFB 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 bid price 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 Bidder, Covered California determines it is not able to reach an agreement with the successful Bidder,

Covered California may, in its sole discretion, terminate the negotiations and engage the next highest-ranked Bidder without performing a subsequent solicitation.

1.18 Addition or Subtraction of Services

Notwithstanding that bids 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 bids has passed as of the time the addendum is posted and bids have been received, Covered California, in its sole discretion, may restrict responses to the modified SOW so that only entities that submitted timely bids in response to the initial IFB may respond to the addendum.

1.19 News Releases and Social Media

By submitting a bid, Bidders 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 IFB, their bids, 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 IFB and the Model Contract Exhibit A – Scope of Work. Bidders must demonstrate that project team members assigned to the project possess the experience, education, knowledge, and skills required to perform the work described in this IFB.

2.1 Project Team Minimum Qualifications

The required minimum qualifications for Bidders include the following:

1. Contractor shall ensure all evaluations are performed by medical professionals who possess and maintain, for the term of this agreement, a current and valid license with the Medical Board of California.

2.2 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. Substitute personnel shall not automatically receive the hourly rate of the individual or position being replaced. Covered California and the Contractor shall negotiate the hourly rate of any substitute personnel to the contract. The hourly rate negotiated

shall be dependent, in part, on the experience and individual skills of the proposed substitute personnel; however, the negotiated rate shall not exceed the hourly rate stated in the contract.

3. 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.

3. SCOPE OF WORK

3.1 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 www.CoveredCA.com and the business website at hbex.CoveredCA.com.

3.2 Purpose

The purpose of this Agreement is to provide physical/psychological medical evaluations and recommendations to Covered California's Human Resources Branch in regard to the capacity of the referred employee's ability to return to work and perform essential functions of the assigned position.

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 Bidder.

3.4 Contract Completion Criteria

The contract resulting from this IFB 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 a.m. to 5:00 p.m. 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 BID SUBMISSION CONTENT

Bid 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
 - Resumes
 - Client References
 - Work Assumptions
 - Bid Price

4.1 Proprietary Information and Confidential Status of Responses

Any documentation submitted which has been marked “Proprietary” or “Trade Secrets” may be rejected. All bids 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, Bidders must comply with the Administrative Requirements in this section.

4.2.1 Required Attachments

Bids 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 Bidder organization. Photocopies of wet signatures and electronic signatures are acceptable.

- i. The *Bid 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; and
- iv. The *Bidder Declaration (GSPD-05-105)* form (Attachment 4) completed and signed; and
- v. The *Bid Checklist* form (Attachment 5) completed.

If the Bidder wishes to claim the DVBE incentive and/or the 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 6) completed and signed;
- ii. The *Target Area Contract Preference Act Preference Request for Goods and Services Solicitations (STD. 830)* form (Attachment 7) completed and signed.
- iii. The *Bidder's Summary of Contract Activities and Labor Hours (DGS/PD 526)* form (Attachment 8) completed and signed.

4.2.2 Required Documents

Bids must include the following required insurance documents:

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

If the Bidder cannot include a Certificate of Liability Insurance and/or a Certificate of Automobile Liability Insurance with its bid, it must provide a written explanation detailing why it cannot comply with the requirement(s). Covered California may, in its sole discretion, accept a bid without these Certificates if the Bidder 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 will award the contract to the next highest-ranked Bidder if the Contractor fails to produce the Certificate(s) prior to contract execution.

If the Bidder organization is incorporated, proof of Active status with the California SOS must be provided in one of the following forms:

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

4.2.3 Updated Model Contract with Exhibits

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

1. 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®.
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®, if any. The total bid price must be included in Section A(1) of Exhibit B, and the Cost Worksheet must be completed as applicable.
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®.

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

4.3 Technical Requirements

To be deemed responsive and responsible, Bidders must comply with the Technical Requirements set forth below in this section.

4.3.1 Resumes

Bidders must provide a resume of the relevant experience held by each supervisor and staff member who will oversee and/or perform the tasks in the SOW. 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, Bidders should only include the individual work experiences that are most relevant to this IFB. Work experiences that are not relevant to this IFB will not be considered by Covered California in determining whether the Bidder is responsible.

4.3.2 Client References

Bidders must provide exactly three (3) client references from the past five (5) years that are relevant to this IFB (i.e., Bidder performed tasks that are similar to the SOW). Each reference listed must include the following information:

- i. Client's name, address, and telephone number;
- ii. Client representative's name (if applicable);
- iii. Date(s) of performance of the work;
- iv. Dollar value of the work performed; and
- v. Brief description of the work performed.

4.3.3 Work Assumptions

Bidders must document any assumptions they are making about the SOW, the responsibilities of the Contractor and Covered California, and any other issues relevant to bid submission in response to this IFB and the ability to do the work for the stated bid price. Responses to this section must be limited to one (1) page and written using single line spacing and a standard twelve-point (12 pt.) font (e.g., Arial, Calibri, Times New Roman, etc.).

4.3.4 Bid Price

Bidders must state the total dollar amount of their bid price for the entire contract where indicated on the *Bid Cover Page* form (Attachment 1). By signing Attachment 1, the Bidder organization certifies the dollar amount of the total bid price, which shall be binding for the term of the contract.

5. EVALUATION AND SELECTION FOR CONTRACT AWARD

Covered California will review and evaluate each bid 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 Bidders, if any, are qualified to receive Bidder preferences and/or incentives and adjust their bid price amounts 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 bid and assess it as either pass or fail in terms of Bidder responsiveness. Bid 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

Covered California will review the technical content of each responsive bid and assess it as either pass or fail in terms of Bidder responsibility. Bid submissions must include all required technical content to earn a passing assessment; those that do not will be deemed non-responsive and will not be considered for the contract award.

Bids that are determined to be responsive and from responsible Bidders will then be compared based on the dollar amounts of their bid prices and ranked according to lowest bid price. Finally, any applicable Bidder preferences and/or incentives will be calculated and applied to adjust the bid prices for Bidder ranking purposes, then the responsive and responsible Bidder with the lowest adjusted bid price will be selected for the contract award.

6. PREFERENCE AND INCENTIVE PROGRAMS

Covered California will determine which Bidders, if any, are eligible to receive Bidder preferences and/or incentives and will adjust their bid price amounts for Bidder ranking purposes 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, Bidders 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. Bidders 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.

Bidders understand and agree that, if this Agreement is awarded based in part on their commitment to use a DVBE subcontractor(s) identified in their bid, 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 bid 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 bid 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 each responsive bid for Bidder responsibility, Bidders who are eligible for a preference and/or incentive program will receive a bid price reduction for evaluation purposes. A Bidder may be eligible to receive more than one preference or incentive, but the maximum combined bid price adjustment is one hundred thousand dollars (\$100,000). After all applicable preferences and incentives have been applied, the Bidder with the lowest bid price will be selected for the contract award and the dollar value of the contract will be the selected Bidder's bid price as submitted in the bid. The following example demonstrates how the preferences and incentives can affect Bidder rankings based on lowest bid price.

In this example, Bidders A, B, and C were assessed to be both responsive and responsible. Based on their respective bid prices, Bidder A, a non-SB with no committed subcontractors, is initially ranked 1st with \$42,500; Bidder B, a certified SB with no proposed subcontractors, is initially ranked 2nd with \$44,000; and Bidder C, a certified

SB and DVBE, is initially ranked 3rd with \$45,000. Bidders B and C both receive a 5% SB preference of \$2,125, which is calculated by multiplying Bidder A's bid price of \$42,500 by 0.05. Bidder C also receives a 5% DVBE preference of \$2,125, which is calculated the same way as the SB preference (5% of the lowest bid price submitted). As a result, Bidder A is now ranked 3rd with a bid price of \$42,500; Bidder B is now ranked 2nd with an adjusted bid price of \$41,875; and Bidder C is now ranked 1st with an adjusted bid price of \$40,750 and will be awarded the contract. However, the dollar amount of the contract will be Bidder C's submitted bid price of \$45,000, not the adjusted bid price of \$40,750. The table below summarizes the application of the preferences and incentives.

	Bidder A	Bidder B	Bidder C
Bid Price	\$42,500	\$44,000	\$45,000
Initial Ranking	1 st	2 nd	3 rd
Certified SB (5% Preference)	No	Yes	Yes
Certified SB Preference Adjustment	0	\$2,125	\$2,125
25% SB Subcontractor Participation (5% Preference)	No	N/A	N/A
25% SB Subcontractor Participation Preference Adjustment	0	N/A	N/A
Certified DVBE (5% Incentive)	No	No	Yes
Certified DVBE Incentive Adjustment	0	0	\$2,125
DVBE Subcontractor Participation (5% Incentive maximum)	0%	0%	N/A
DVBE Subcontractor Participation Incentive Adjustment	0	0	N/A
Adjusted Bid Price	\$42,500	\$41,875	\$40,750
Final Ranking	3 rd	2 nd	1 st

6.2 Small Business Preference

A five percent (5%) bid price preference is available to SB and MB Bidders who are certified by DGS OSDS. To be eligible for the preference, a Bidder 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 bid due date and was certified before the Notice of Intent to Award date in Section 1.2 above.

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

The SB preference adjusts the bid price of an eligible Bidder by reducing it by five percent (5%) of the lowest bid price from a responsive and responsible Bidder. This adjustment is applied only for Bidder ranking purposes to determine the winning Bidder

and does not alter the dollar amount of the resulting contract. The maximum adjustment from this preference is fifty thousand dollars (\$50,000). Note: If there is an exact tie for lowest adjusted bid price between a certified SB or MB Bidder and a certified DVBE Bidder that is also a SB or MB, the contract shall be awarded to the DVBE Bidder.

If a Bidder is eligible for the preference program and wishes to take advantage it, the Bidder must complete the *Bidder Declaration (GSPD-05-105)* form (Attachment 4) accordingly and include it in the bid submission.

6.3 Disabled Veteran Business Enterprise Incentive

A five percent (5%) bid price incentive is available to DVBE Bidders that are DGS OSDS certified. To be eligible for the incentive, a Bidder 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 bid due date and was certified before the Notice of Intent to Award date in Section 1.2 above.

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

The DVBE incentive adjusts the bid price of an eligible Bidder by reducing it by five percent (5%) of the lowest bid price from a responsive and responsible Bidder. This adjustment is applied only for Bidder ranking purposes to determine the winning Bidder and does not alter the dollar amount of the resulting contract. Note: If there is an exact tie between a certified SB or MB Bidder and a certified DVBE Bidder that is also a SB or MB, the contract shall be awarded to the DVBE Bidder.

If a Bidder is eligible for the incentive program and wishes to take advantage of it, the Bidder must complete the *Disabled Veteran Business Enterprise Declarations (STD. 843)* form (Attachment 6) accordingly and include it in the bid submission.

6.4 Programs for Non-Small Businesses with Subcontractors

This IFB does not require Bidders to meet a minimum SB, MB, or DVBE participation percentage or goal. Participation in these programs is optional. However, if non-SB Bidders use subcontractors, they are encouraged to subcontract with SBs, MBs, and DVBEs.

6.4.1 Small Business Subcontractor Preference

A five percent (5%) bid price preference is available to non-SB Bidders 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 Bidder must list the certified SB(s) and/or MB(s) that will be subcontracted if the Bidder 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 bid price. 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 bid 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 bid submission.

The SB subcontractor preference adjusts the bid price of an eligible non-SB Bidder by reducing it by five percent (5%) of the lowest bid price from a responsive and responsible Bidder. This adjustment is applied only for Bidder ranking purposes to determine the winning Bidder and does not alter the dollar amount of the resulting contract. The maximum adjustment from this preference is fifty thousand dollars (\$50,000). Note: Application of the SB subcontractor preference shall not remove the contract award from a certified SB or MB Bidder in favor of a non-SB Bidder.

If a subcontractor is eligible for the preference program and the non-SB Bidder wishes to take advantage it, the Bidder must complete the *Bidder Declaration (GSPD-05-105)* form (Attachment 4) accordingly and include it in the bid submission.

6.4.2 Disabled Veteran Business Enterprise Subcontractor Incentive

A bid price incentive of up to five percent (5%) is available to non-DVBE Bidders 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 Bidder must list the certified DVBE(s) that will be subcontracted if the Bidder is selected for the contract award, and the total value of the DVBE subcontracts must be at least one percent (1%) of the total bid price. 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 bid 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 bid submission.

The DVBE subcontractor incentive adjusts the bid price of an eligible non-DVBE Bidder by reducing it by up to percent (5%) of the lowest bid price from a responsive and responsible Bidder. The incentive percentage is based on the committed percentage of DVBE subcontractor participation. This adjustment is applied only for Bidder ranking purposes to determine the winning Bidder and does not alter the dollar amount of the resulting contract. Note: Application of the DVBE subcontractor preference shall not remove the contract award from a certified DVBE Bidder in favor of a non-DVBE Bidder.

If a subcontractor is eligible for the incentive program and the non-DVBE Bidder wishes to take advantage of it, the Bidder must complete the *Disabled Veteran Business Enterprise Declarations (STD. 843)* form (Attachment 6) accordingly and include it in the bid submission.

6.5 Target Area Contract Preference Act

This IFB does not include Target Area Contract Preference Act (TACPA) preferences. However, during the IFB process, Bidders may apply for the preference. When doing so, Bidders are encouraged to review their request package 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 Bidder is eligible for the preference program and wishes to take advantage of it, the Bidder must complete the *Target Area Contract Preference Act Preference Request for Goods and Services Solicitations (STD. 830)* form (Attachment 7) and the *Bidder's Summary of Contract Activities and Labor Hours (DGS/PD 526)* form (Attachment 8) and include them in the bid submission.

7. ATTACHMENTS

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

1. Required Attachments

Number	Name
1	Proposal Cover Page
2	Payee Data Record (STD. 204)
3	Contractor Certification Form
4	Bidder Declaration (GSPD-05-105)
5	Bid Checklist

2. Optional Attachments

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

7	Target Area Contract Preference Act Preference Request for Goods and Services Solicitations (STD. 830)
8	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 Bidders by Covered California and are hereby incorporated into this IFB.

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