

REQUEST FOR PROPOSALS

RFP NUMBER: CSP903508
INDEX NUMBER: INS001K
NIGP NUMBER: 956-70

The state of Ohio, through the Department of Administrative Services, Office of Procurement Services, for the Department of Insurance, is requesting proposals for an:

Actuarial/Economic Modeling of Health Coverage Reforms

DATE ISSUED: August 14, 2007
INQUIRY PERIOD BEGINS: August 14, 2007
INQUIRY PERIOD ENDS: August 28, 2007
PROPOSAL DUE DATE: September 5, 2007 at 1:00 p.m.

Proposals received after the deadline will not be evaluated.

OPENING LOCATION: Department of Administrative Services
Office of Procurement Services
4200 Surface Road
Columbus, OH 43228-1395

This RFP consists of five (5) parts and eleven attachments, totaling 58 consecutively numbered pages. Please verify that you have a complete copy.

PART ONE: EXECUTIVE SUMMARY

Purpose. This is a Request for Competitive Sealed Proposals (RFP) under Section 125.071 of the Ohio Revised Code (the Revised Code) and Section 123:5-1-08 of the Ohio Administrative Code (the Administrative Code). The Ohio Department of Insurance (ODI), has asked the Department of Administrative Services (DAS), Office of Procurement Services to solicit competitive sealed proposals (Proposals) for an Actuarial/Economic Modeling of Health Coverage Reforms, (the Work), and this RFP is the result of that request. If a suitable offer is made in response to this RFP, the state of Ohio (State), through DAS, may enter into a contract (the Contract) to have the selected Offeror (the Contractor) perform all or part of the Work. This RFP provides details on what is required to submit a Proposal for the Work, how the State will evaluate the Proposals, and what will be required of the Contractor in performing the Work.

This RFP also gives the estimated dates for the various events in the submission process, selection process, and performance of the Work. While these dates are subject to change, prospective Offerors must be prepared to meet them as they currently stand.

Once awarded, the initial term of the Contract will be from the award date through June 30, 2008. The State may renew the Contract for one (1) additional one (1) year renewal period. The State's decision to exercise renewal of the Contract is subject to the satisfactory performance of the Contractor, the needs of the agency and the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in the new biennium.

Any failure to meet a deadline in the submission or evaluation phases and any objection to the dates for performance of the Project may result in the State refusing to consider the Proposal of the Offeror.

Background. Ohio currently has more than 1.2 million uninsured residents. Health care and coverage costs are unaffordable for many individuals, families and businesses. Available information indicates that more Ohioans will become uninsured and health care and insurance costs will continue to rise if nothing is done to stop the trends.

The Governor, legislative leaders, health care providers, business and community leaders, and consumer advocates are all working to develop reforms to Ohio's health care and coverage system to expand coverage to the uninsured, improve the health of Ohioans, improve the efficiency and quality of health care, and reduce health care and coverage costs.

As part of the process of developing effective and sustainable reforms, the Department of Insurance is seeking to conduct an Actuarial/Economic Modeling Study. The purpose of the study is to design a baseline model of Ohio's current demographics and market metrics and model proposed reforms to determine projected impacts on Ohio's people, systems and markets. The information developed by this project will help decision-makers develop and refine effective reforms.

Many Ohioans have no affordable health insurance coverage, have no reliable access to health care, and have health problems that can be prevented or controlled. Ohio needs a comprehensive plan to make affordable health coverage available to Ohio's uninsured citizens; to improve the cost, quality and efficiency of Ohio's health care system; and to improve the health of all Ohioans

The State expects the Offeror's work plan should strive toward completing the Product Statement of Work, or as much thereof as possible, by November 30, 2007. For information or deliverables outlined in the Project Statement of Work that cannot be provided by such date, the Consultant should identify those items, and provide a work plan with timelines for completing those items in a timely fashion.

Objective. The purpose of this project is to gather the best available information about the projected impacts of proposed health coverage reforms on Ohio's people and health care and coverage systems and markets.

Overview of the Project's Scope of Work. The scope of work for the Project is provided in Attachment One: Part One of this RFP. This section only gives a summary of that work. If there is any inconsistency between this summary and the description of the Work, contained in Attachment One, Part One, the attachment will govern.

The successful Offeror shall be responsible for performing the items identified in this Project Statement of Work, or as much thereof as possible as detailed in the successful Offerors proposal, in accordance with the successful Offeror's Work Plan. The State expects the Offeror's work plan should strive toward completing the Product Statement of Work, or as much thereof as possible, by November 30, 2007. For information or deliverables outlined

in the Project Statement of Work that cannot be provided by such date, the Consultant should identify those items, and provide a work plan with timelines for completing those items in a timely fashion.

Calendar of Events. The schedule for the Project is given below, and is subject to change. If the State changes the schedule before the Proposal due date, it will do so through an announcement on the State Procurement Web site question and answer area for this RFP. The Web site announcement will be followed by an addendum to this RFP, also available through the State Procurement Web site. After the Proposal due date and before the award of the Contract, the State will make schedule changes through the RFP addendum process. The State will make changes in the Project schedule after the Contract award through the change order provisions in the general terms and conditions of the Contract. It is each prospective Offeror's responsibility to check the Web site question and answer area for this RFP for current information regarding this RFP and its calendar of events through award of the Contract.

Dates:

Firm Dates

RFP Issued:	August 14, 2007
Inquiry Period Begins:	August 14, 2007
Inquiry Period Ends:	August 28, 2007 at 8:00 a.m.
Proposal Due Date:	September 5, 2007 at 1:00 p.m.

Estimated Dates

Contract Award:	September 14, 2007
Issuance of Purchase Order:	September 19, 2007
Work Commence:	September 25, 2007

There are references in this RFP to the Proposal due date. Prospective Offerors must assume, unless it is clearly stated to the contrary, that any such reference means the date and time (Columbus, OH local time) that the Proposals are due. Proposals received after 1:00 p.m. on the due date will not be evaluated.

PART TWO: STRUCTURE OF THIS RFP

Organization. This RFP is organized into five (5) parts and has eleven attachments. The Parts and Attachments are listed below.

Parts

Part One	Executive Summary
Part Two	Structure of this RFP
Part Three	General Instructions
Part Four	Evaluation of Proposals
Part Five	Award of the Contract

Attachments

Attachment One	Work Requirements and Special Provisions
Part One	Work Requirements
Part Two	Special Provisions
Attachment Two	Requirements for Proposals
Attachment Three	General Terms and Conditions
Part One	Performance and Payment
Part Two	Work & Contract Administration
Part Three	Ownership & Handling of Intellectual Property & Confidential Information
Part Four	Representations, Warranties and Liabilities
Part Five	Acceptance and Maintenance
Part Six	Construction
Part Seven	Law & Courts
Attachment Four	Contract
Attachment Five	Offeror Profile Form
Attachment Six	Offeror References Form
Attachment Seven	Offeror's Candidate Data
Seven A	Offeror's Project Leader Candidate References
Seven B	Offeror's Project Leader Candidate Information, Education and Training
Seven C	Offeror's Project Leader Candidate Experience Requirement
Attachment Eight	Offeror Performance Form
Attachment Nine	W-9 Form and New Vendor Information Form
Attachment Ten	Proposal Labels
Attachment Eleven	Cost Summary

PART THREE: GENERAL INSTRUCTIONS

The following sections provide details on how to get more information about an RFP and how to respond to this RFP. All responses must be complete and in the prescribed format.

Contacts. The following individual will represent the State:

Ross A. Leider, CPPB
Department of Administrative Services
Office of Procurement Services
4200 Surface Road
Columbus, OH 43228-1395

During the performance of the Project, a State representative (the "Agency Project Representative") will represent the Agency and be the primary contact for matters relating to the Project. The Agency Project Representative will be designated in writing after the Contract award.

Inquiries. Offerors may make inquiries regarding this RFP any time during the inquiry period listed in the Calendar of Events. To make an inquiry, Offerors must use the following process:

- Access the State Procurement Web site at <http://www.ohio.gov/procure>;
- From the Navigation Bar on the left, select "Find It Fast";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the RFP Number found on Page 1 of the document (RFP Numbers begin with the letters "CSP");
- Click the "Find It Fast" button;
- On the document information page, click the "Submit Inquiry" button;
- On the document inquiry page, complete the required "Personal Information" section by providing:
 - First and last name of the prospective Offeror's representative who is responsible for the inquiry,
 - Name of the prospective Offeror;
 - Representative's business phone number, and
 - Representative's e-mail address;
- Type the inquiry in the space provided including:
 - A reference to the relevant part of this RFP;
 - The heading for the provision under question; and
 - The page number of the RFP where the provision can be found.
- Click the "Submit" button.

Offerors submitting inquiries will receive an immediate acknowledgement that its inquiry has been received as well as an e-mail acknowledging receipt. Offerors will not receive a personalized e-mail response to its question nor will they receive notification when the question has been answered.

Offerors may view inquiries and responses using the following process:

- Access the State Procurement Web site at <http://www.ohio.gov/procure>;
- From the Navigation Bar on the left, select "Find It Fast";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the RFP Number found on Page 1 of the document (RFP Numbers begin with the letters "CSP");
- Click the "Find It Fast" button;
- On the document information page, click the "View Q & A" button to display all inquiries with responses submitted to date.

The State will try to respond to all inquiries within 48 hours of receipt, excluding weekends and State holidays. The State will not respond to any inquiries received after 8:00 a.m. on the inquiry end date.

Request for Previous Requests for Proposals (RRFPs). Requests from potential Offerors for copies of previous RFPs, past Offeror proposals, score sheets or contracts for any potentially related projects, are Public Records Requests (PRRs), and are not clarification questions regarding the present RFP. PRRs must be submitted by mail, through the State procurement representative. The posted time frames for responses to internet questions for RFP clarification do not apply to PRRs. The State does not guarantee that a response to a PRR will be made within the

time frames controlling the Proposal, and any failure or delay of the State in responding to the PRR will have no bearing on the deadlines found in the RFP.

Offerors are to base their RFP responses and the details and costs of their proposed projects on the requirements and performance expectations established in this RFP for the future contract, not on details of any other potentially related contract or project. If Offerors ask questions about existing or past contracts using the internet Q&A process, the State will use its discretion in deciding whether to provide answers as part of this RFP process.

The State is under no obligation to acknowledge questions submitted through the Q&A process if those questions are not in accordance with these instructions or deadlines.

Protests. Any potential or actual vendor who objects to the award of a Contract resulting from the issuance of this RFP may file a protest of the award of the Contract, or any other matter relating to the process of soliciting the Proposals. Such protest must comply with the following information:

1. The protest must be filed by a prospective or actual bidder objecting to the award of a Contract resulting from the RFP. The protest must be in writing and contain the following information:
 - a. The name, address, and telephone number of the protester;
 - b. The name and number of the RFP being protested;
 - c. A detailed statement of the legal and factual grounds for the protest, including copies of any relevant documents;
 - d. A request for a ruling by DAS;
 - e. A statement as to the form of relief requested from DAS; and
 - f. Any other information the protester believes to be essential to the determination of the factual and legal questions at issue in the written request.
2. A timely protest will be considered by DAS, on behalf of the ODI if it is received by the DAS Office of Procurement Services (OPS) within the following periods:
 - a. A protest based on alleged improprieties in the issuance of the RFP, or any other event preceding the closing date for receipt of proposals which are apparent or should be apparent prior to the closing date for receipt of proposals, must be filed no later than 5 business days prior to the proposal due date.
 - b. If the protest relates to the recommendation of the evaluation committee for an award of the Contract, the protest must be filed as soon as practicable after the Offeror is notified of the State's decision regarding the Offeror's proposal.
3. An untimely protest may be considered by DAS at the discretion of DAS. An untimely protest is one received by the DAS OPS after the time periods set in Section 2 above. In addition to the information listed in Section 1, untimely protests must include an explanation of why the protest was not made within the required time frame.
4. All protests must be filed at the following location:

Department of Administrative Services
Office of Procurement Services - Bid Desk
4200 Surface Road
Columbus, OH 43228-1395

This protest language only pertains to this RFP offering.

Addenda to the RFP. If the State decides to revise this RFP before the Proposal due date, addenda will be announced on the State Procurement Web site.

Offerors may view addenda using the following process:

- Access the State Procurement Web site at <http://www.ohio.gov/procure>;
- From the Navigation Bar on the left, select "Find It Fast";
- Select "Doc/Bid/Schedule #" as the Type;
- Enter the RFP Number found on Page 1 of the document (RFP Numbers begin with the letters "CSP");

- Click the “Find It Fast” button;
- On the document information page, click on the addendum number to display the addendum.

When an addendum to this RFP is necessary, the State may extend the Proposal due date through an announcement on State Procurement Web site. Addendum announcements may be provided any time before 5:00 p.m. on the day before the proposal is due. It is the responsibility of each prospective Offeror to check for announcements and other current information regarding the RFP.

After the submission of Proposals, addenda will be distributed only to those Offerors whose submissions are under active consideration. When the State makes an addendum to the RFP after Proposals have been submitted, the State will permit Offerors to withdraw its Proposals. This withdrawal option will allow any Offeror to remove its Proposal from active consideration should the Offeror feel that the addendum changes the nature of the transaction so much that the Offeror's Proposal is no longer in its interests. Alternatively, the State may allow Offerors that have Proposals under active consideration to modify its Proposal in response to the addendum, as described below. If, however, the State makes an addendum after the Proposal due date, the State will tell all Offerors whose Proposals are under active consideration whether they have the option to modify its Proposals in response to the addendum. Any time the State amends the RFP after the Proposal due date, an Offeror will have the option to withdraw its Proposal even if the State permits modifications to the Proposals. If the Offerors are allowed to modify its Proposals, the State may limit the nature and scope of the modifications. Unless otherwise stated in the State's notice, modifications and withdrawals must be made in writing and must be submitted within 10 business days after the addendum is issued. If this RFP provides for a negotiation phase, this procedure will not apply to changes negotiated during that phase. Withdrawals and modifications must be made in writing and submitted to the State at the address and in the same manner required for the submission of the original Proposals. Any modification that is broader in scope than the State has authorized may be rejected and treated as a withdrawal of the Offeror's Proposal.

Proposal Submittal. Each Offeror must submit a technical Proposal in an opaque envelope. Each Offeror must submit one (1) complete, signed original in blue ink and four (4) copies for a total of five (5) copies in individual sealed envelopes and each Proposal must be clearly marked “RFP# CSP903508 ‘Actuarial/Economical Modeling of Health Coverage Reforms’” on the outside of each envelope. The original copy must also indicate “original copy” on its envelope. The Cost Summary, Attachment Eleven, must be in a separate sealed envelope.

The Offeror must also submit in the sealed package a copy of the Proposals on CD-ROM in Microsoft Office (Word, Excel or Project) 2000, or higher, format and/or pdf format as appropriate. In the event there is a discrepancy between the hard copy and the electronic copy, the hard copy will be the official Proposal.

Proposals are due no later than the proposal due date, at 1:00 p.m. Proposals submitted by e-mail or fax are not acceptable and will not be considered. Proposals must be submitted to:

Department of Administrative Services
Office of Procurement Services - Bid Desk
4200 Surface Road
Columbus, OH 43228-1395

The State will reject any Proposals or unsolicited Proposal addenda that are received after the deadline. An Offeror that mails its Proposal must allow for adequate mailing time to ensure its timely receipt. The State recommends that Offeror's submit Proposals as early as possible. The Proposals received prior to the deadline are stored unopened in a secured area until 1:00 p.m. of the due date. The Offerors must also allow for potential delays due to increased security. The State will reject late proposals regardless of the cause for the delay.

Each Offeror must carefully review the contents of its Proposal for conformity to the requirements of this RFP. Once opened, Proposals cannot be altered, except as allowed by this RFP.

By submitting a Proposal, the Offeror acknowledges that it has read this RFP, understands it, and agrees to be bound by its requirements. The State is not responsible for the accuracy of any information regarding this RFP that was gathered through a source different from the inquiry process described in the RFP.

Revised Code Section 9.24 prohibits the State from awarding a Contract to any Offeror(s) against whom the Auditor of State has issued a finding for recovery if the finding for recovery is “unresolved” at the time of award. By submitting a proposal, the Offeror warrants that it is not now, and will not become subject to an “unresolved” finding

for recovery under Section 9.24, prior to the award of a Contract arising out of this RFP, without notifying DAS of such finding. Ohio Revised Code Section 9.231 applies to this contract.

The State may reject any Proposal if the Offeror takes exception to the terms and conditions of this RFP, fails to comply with the procedure for participating in the RFP process, or the Offeror's Proposal fails to meet any requirement of this RFP. Questions asked during the inquiry period will not be viewed as an exception to the Terms and Conditions.

All Proposals and other material submitted will become the property of the State and may be returned only at the State's option. Proprietary information should not be included in a Proposal or supporting materials because the State will have the right to use any materials or ideas submitted in any Proposal without compensation to the Offeror. Additionally, all Proposals will be open to the public after the award of the Contract has been posted on the State Procurement Web site.

The State will retain all Proposals, or a copy of them, as part of the Contract file for at least ten (10) years following the Contract expiration date. After the retention period, the State may return, destroy, or otherwise dispose of the Proposals or the copies.

Waiver of Defects. The State may waive any defects in any Proposal or in the submission process followed by an Offeror. The State will only do so if it believes that it is in the State's interests and will not cause any material unfairness to other Offerors.

Multiple or Alternate Proposals. The State accepts multiple Proposals from a single Offeror, but the State requires each such Proposal to be submitted separately from every other Proposal the Offeror makes. Additionally, the Offeror must treat every Proposal submitted as a separate and distinct submission and include in each Proposal all materials, information, documentation and other items this RFP requires for a Proposal to be complete and acceptable. No alternate Proposal may incorporate materials by reference from another Proposal made by the Offeror or refer to another Proposal. The State will judge each alternate Proposal on its own merit.

Addenda to Proposals. Addenda or withdrawals of Proposals will be allowed only if the addendum or withdrawal is received before the Proposal due date. No addenda or withdrawals will be permitted after the due date, except as authorized by this RFP.

Proposal Instructions. Each Proposal must be organized in an indexed binder with its contents ordered in the same manner as the response items are ordered in the applicable attachment(s) to this RFP.

The State wants clear and concise Proposals. Offerors should, however, take care to completely answer questions and meet the RFP's requirements thoroughly. All Offeror's, including current contract holders, if applicable, must provide detailed and complete responses as Proposal evaluations, and subsequent scores, are based solely on the content of the Proposal. No assumptions will be made or values assigned for the competency of the Offeror whether or not the Offeror is a current or previous contract holder.

The requirements for the Proposal's contents and formatting are contained in an attachment to this RFP.

The State will not be liable for any costs incurred by an Offeror in responding to this RFP, regardless of whether the State awards the Contract through this process, decides not to go forward with the Project, cancels this RFP for any reason, or contracts for the Project through some other process or by issuing another RFP.

PART FOUR: EVALUATION OF PROPOSALS

Disclosure of Proposal Contents. The State will seek to open the Proposals in a manner that avoids disclosing its contents. Additionally, the State will seek to keep the contents of all Proposals confidential until the Contract is awarded. The State will prepare a registry of Proposals containing the name and address of each Offeror. That registry will be open for public inspection after the Proposals are opened.

Rejection of Proposals. The State may reject any Proposal that is not in the required format, does not address all the requirements of this RFP, or that the State believes is excessive in price or otherwise not in its interests to consider or to accept. In addition, the State may cancel this RFP, reject all the Proposals, and seek to do the Project through a new RFP or other means.

Evaluation of Proposals Generally. The evaluation process may consist of up to four distinct phases:

1. The procurement representative's initial review of all Proposals for defects;
2. The State's evaluation of the Proposals;
3. Request for more information (interviews, presentations, and/or demonstrations); and
4. Negotiations.

The State may decide whether phases three and four are necessary. The State has the right to eliminate or add phases three or four at any time in the evaluation process. The State also may add or remove sub-phases to phases 2 through 4 at anytime if the State believes doing so will improve the evaluation process.

Clarifications & Corrections. During the evaluation process, the State may request clarifications from any Offeror under active consideration and may give any Offeror the opportunity to correct defects in its Proposal if the State believes doing so does not result in an unfair advantage for the Offeror and it is in the State's interests. Any clarification response that is broader in scope than what the State has requested may result in the Offeror's proposal being disqualified.

Reference Checks. The State may conduct reference checks to verify and validate the Offeror's or proposed candidate's past performance. Reference checks indicating poor or failed performance by the Offeror or proposed candidate may be cause for rejection of the proposal. In addition, failure to provide requested reference contact information may result in the State not including the reference experience in the evaluation process.

The reference evaluation will measure the criteria contained in this part of the RFP as it relates to the Offeror's previous contract performance including but not limited to its performance with other local, state and federal entities. The State reserves the right to check references other than those provided in the Offeror's Proposal. The State may obtain information relevant to criteria in this part of the RFP, which is deemed critical to not only the successful operation and management of the Project, but also the working relationship between the State and the Offeror.

To maintain fairness in the evaluation process, all information sought by the State will be obtained in a manner such that no Offeror is provided an unfair competitive advantage.

Initial Review. The procurement representative will review all Proposals for its format and completeness. The procurement representative normally rejects any incomplete or incorrectly formatted Proposal, though he or she may waive any defects or allow an Offeror to submit a correction.

If the Auditor of State does not certify a proposal due to lateness, the procurement representative will not open it or evaluate it for format or completeness.

The procurement representative will forward all timely, complete, and properly formatted Proposals to an evaluation committee, which the procurement representative will chair.

Committee Review of the Proposals. The evaluation committee will evaluate each Proposal that the procurement representative has determined is timely, complete and properly formatted. The evaluation will be according to the criteria contained in this Part of the RFP. An attachment to this RFP may further refine these criteria, and the committee has a right to break these criteria into components and weight any components of a criterion according to its perceived importance.

The committee may also have the Proposals or portions of them reviewed and evaluated by independent third parties or various State personnel with technical or professional experience that relates to the Work or to a criterion in the evaluation process. The committee may also seek reviews of end users of the Work or the advice or evaluations of various State committees that have subject matter expertise or an interest in the Work. In seeking such reviews, evaluations, and advice, the committee will first decide how to incorporate the results in the scoring of the Proposals. The State may adopt or reject any recommendations it receives from such reviews and evaluations.

The evaluation will result in a point total being calculated for each Proposal. At the sole discretion of the State, any Proposal, in which the Offeror received a significant number of zeros for sections in the technical portions of the evaluation, may be rejected. Those Offerors submitting the highest-rated Proposals may be scheduled for the next phase. The number of Proposals forwarded to the next phase will be within the committee’s discretion, but regardless of the number of Proposals selected for the next phase, they will always be the highest rated ns from this phase.

At any time during this phase, the committee may ask an Offeror to correct, revise, or clarify any portions of its Proposal.

The evaluation committee will document all major decisions in writing and make these a part of the Contract file along with the evaluation results for each Proposal considered.

Proposal Evaluation Criteria

In the Proposal evaluation phase, the committee will rate the Proposals submitted in response to this RFP based on the following criteria and weight assigned to each criterion: If the Offeror meets the mandatory requirements in the first table, the Offeror’s Proposal will be included in the next part of this evaluation phase in the third table.

Table One

Mandatory Requirements	Does Not Meet/Reject	Meets
The Offerors proposed work team shall include an Actuary who meets the qualification standards of the American Academy of Actuaries.		
Documentation for the above mandatory requirement must be submitted in tab one of your proposal.		

In the Proposal evaluation phase, the committee will rate the Proposals submitted in response to the RFP based upon the following criteria and weight assigned to each criterion.

Table Two

Criteria	“Meets Allowable Points
Proposal Technical Requirements	240
Proposal Cost	60
Total	300

The scale below (0-5) will be used to rate each proposal on the criteria listed in Table 3:

DOES NOT MEET	WEAK	WEAK TO MEETS	MEETS	MODERATE TO STRONG	STRONG
0 POINTS	1 POINT	2 POINTS	3 POINTS	4 POINTS	5 POINTS

The State will rank the Proposals by multiplying the score received in each category by its assigned weight and add all categories together for the Offeror’s total technical score. Representative numerical values are defined as follows:

- DOES NOT MEET (0): Proposal does not comply substantially with requirements.
- WEAK (1): Proposal meets some requirements, and any weaknesses or deviations from requirements are minor, may be acceptable and may be readily corrected or minimized in terms of material impact.
- WEAK TO MEETS (2): Proposal doesn't quite meet the objectives and a little stronger than weak.
- MEETS (3): Proposal generally meets the objectives (or expectations). Weaknesses are minor, acceptable, and may be offset by strengths in other areas.
- MODERATE TO STRONG (4): Proposal exceeds objectives (or expectations) in ways that are beneficial to the State and meets objectives (or expectations) and contains at least one enhancing feature that provides some benefit to the State. Weaknesses are minor and are more than offset by the enhancing feature(s).
- STRONG (5): Proposal significantly exceed objectives (or expectations) in ways that provide tangible benefits or meets objectives (or expectations) and contains at least one enhancing feature that provides significant benefits.

Table Three

Technical Proposal	Weight	Does Not Meet	Weak	Weak to Meets	Meets	Moderate to Strong	Strong	Line Score
		0	1	2	3	4	5	
The Offeror will demonstrate a high level of expertise in health services research and economic modeling techniques, with experience in the areas of modeling health care coverage, cost, spending, and other demographic and health-related impacts. Experience with modeling both commercial coverage and public coverage is required. The Offeror will have experience with 1) projects similar to the size and scope of this project, 2) state health reforms and issues, 3) analysis of populations by demographic profile, and 4) producing of a variety of technical and lay reports for different audiences. The Offeror's team leader/Project Leader shall also meet these requirements	20							
The Offeror must provide key team staffing names and positions detailing each member's experience, background and work assignment (Attachment Seven A, B and C).	15							
The Offeror must provide three (3) reports produced in connection with other projects of similar size and scope.	15							
The Offeror must provide a description of the sources of, or methods for collecting the information that will form the basis of the Offeror's conclusions. A preliminary data request for state-level data should be included as part of the Proposal.	10							

The Offeror must provide a preliminary Work Plan and schedule for completing the Project, which should include timelines for providing the information and deliverables specified in the Statement of Work.	10							
Recommendations for work in addition to the Project Statement of Work, including information and analyses not contained in the Project Statement of Work that should be included in the final report. If additional work is recommended, the Proposal shall contain a full explanation of the need for the additional work and the fee that would be associated with such additional work.	10							
Offerors Total Technical Proposal Score								
Cost Summary (Attachment Eleven).	20	(Maximum score is 60 points)						
Offerors Total Score								

Once the technical merits of a proposal have been evaluated as described above, the cost of that Proposal will be considered. The evaluation committee will rank the Proposals by multiplying the score received in each category by its assigned weight and adding all categories together for the Offeror's total technical score. The scoring values shown, 0 through 5, are targets for each category. The evaluation committee will then calculate the Offeror's cost points. The Offeror's cost points are calculated using the following formula:

Cost points = (lowest Offeror's cost/Offeror's cost) x C. The value of C is 60.

"Cost" = Total Not to Exceed Cost identified on Attachment Eleven of Offeror Proposals.

An example for calculating cost points for this proposal is Bidder A has a cost of \$100.00. Bidder B has a cost of \$110.00 and Bidder C has a cost of \$120.00. Bidder A having the lowest cost would get the maximum 60 points. Bidder B's cost points would be calculated as \$100.00 (Bidder A's cost) divided by \$110.00 (Bidder B's cost) equals 0.909 times 60 maximum points or a total of 54.5 points. Bidder C's cost points would be calculated as \$100.00 (Bidder A's cost) divided by \$120.00 (Bidder C's cost) equals 0.833 times 60 maximum points or a total of 50 points.

One or more of the Proposals will then be selected for further consideration in the next phase of the evaluation process. The Proposal(s) selected to be considered in the next phase will always be the highest ranking Proposal(s) based on this analysis. The committee may not move a lower ranking Proposal(s) to the next phase unless all Proposals that rank above it are also moved to the next phase, excluding any proposals that the committee disqualifies because of excessive cost or other reasons. Alternatively, if there are to be no more phases because the committee feels they are unnecessary or inappropriate, the highest ranking Proposal will be awarded the Contract.

If the committee finds that one or more Proposals should be given further consideration, the committee may select one or more of the highest-ranking Proposals to move to the next phase. The committee may alternatively choose to bypass any or all subsequent phases and make an award based solely on the evaluation phase.

This RFP asks for responses and submissions from Offerors, most of which represent components of the above criteria. While each criterion represents only a part of the total basis for a decision to award the Contract to an Offeror, a failure by an Offeror to make a required submission or meet a mandatory requirement will normally result in a rejection of that Offeror's Proposal. The value assigned above to each criterion is only a value used to determine which Proposal is the most advantageous to the State. It is not a basis for determining the importance of meeting any requirement to participate in the Proposal process.

If the State does not receive any Proposals that meet all the mandatory requirements, the State may cancel this RFP. Alternatively, if the committee believes it is in the State's interest, the committee may evaluate the Proposals

despite its failure to meet all the mandatory requirements. In doing this, the State may consider one or more of the highest-ranking Proposals. The committee may not consider any lower-ranking Proposals unless all Proposals ranked above it are also considered, except as provided below.

In any case where no Proposal meets all the mandatory requirements, it may be that an upper ranking Proposal contains a failure to meet a mandatory requirement that the committee believes is critical to the success of the RFP's objectives. When this is so, the committee may reject that Proposal and consider lower ranking Proposals. Before doing so, the committee must notify the Offeror of the situation and give the Offeror an opportunity to cure the critical mandatory requirement.

If the Offeror cures its failure to meet a critical mandatory requirement, its Proposal will continue to be considered. If the Offeror is unwilling or unable to cure the failure, its Proposal may be rejected. The committee then may continue to consider the other remaining Proposals, including, if the committee so chooses, proposals that ranked lower than the rejected Proposal.

Financial Ability. Part of the Proposal evaluation criteria is the qualifications of the Offeror which include, as a component, the Offeror's financial ability to perform the Contract. This RFP may expressly require the submission of financial statements from all Offerors in the Proposal contents attachment. If the Proposal does not make this an expressed requirement, the State may still insist that an Offeror submit audited financial statements for up to the past three years if the State is concerned that an Offeror may not have the financial ability to carry out the Contract.

In evaluating an Offeror's financial ability, the weight the State assigns, if any, to that financial ability will depend on whether the Offeror's financial position is adequate or inadequate. That is, if the Offeror's financial ability is adequate, the value assigned to the Offeror's relative financial ability in relation to other Offerors may or may not be significant, depending on the nature of the Work. If the State believes the Offeror's financial ability is not adequate, the State may reject the Proposal despite its other merits.

Interviews, Demonstrations, and Presentations. The State may require top Offerors to be interviewed. Such presentations, demonstrations, and interviews provide an Offeror with an opportunity to clarify its Proposal and to ensure a mutual understanding of the Proposal's content. This will allow the State an opportunity to test or probe the professionalism, qualifications, skills and work knowledge of the proposed candidates. The presentations, demonstrations and interviews will be scheduled at the convenience and discretion of the State. The State may record any presentations, demonstrations and interviews.

Determination of Responsibility. The State may review the highest-ranking Offeror or its key team members to ensure that the Offeror is responsible. The Contract may not be awarded to an Offeror that is determined not to be responsible. The State's determination of an Offeror's responsibility may include the following factors: the experience of the Offeror and its key team members; past conduct on previous contracts; past performance on previous contracts; ability to execute this contract properly; and management skill. The State will make such determination of responsibility based on the Offeror's Proposal, reference evaluations and any other information the State requests or determines to be relevant.

Contract Negotiations. The final phase of the evaluation process may be contract negotiations. Negotiations will be scheduled at the convenience of the State. The selected Offeror(s) must negotiate in good faith.

Negotiations may be conducted with any Offeror who submits a competitive Proposal, but the State may limit discussions to specific aspects of the RFP. Any clarifications, corrections, or negotiated revisions that may occur during the negotiations phase will be reduced to writing and incorporated in the RFP or the Offeror's Proposal, as appropriate. Any Offeror whose response continues to be competitive will be accorded fair and equal treatment with respect to any clarification, correction, or revision of the RFP and will be given the opportunity to negotiate revisions to its Proposal based on the amended RFP. Should the evaluation process have resulted in a top-ranked Proposal, the State may limit negotiations to only that Offeror and not hold negotiations with any lower-ranking Offeror. If negotiations are unsuccessful with the top-ranked Offeror, the State may then go down the line of remaining Offerors, according to rank, and negotiate with the next highest-ranking Offeror. Lower-ranking Offerors do not have a right to participate in negotiations conducted in such a manner.

If the State decides to negotiate with all the remaining Offerors, or decides that negotiations with the top-ranked Offeror are not satisfactory and negotiates with one or more of the lower-ranking Offerors, the State will then determine if an adjustment in the ranking of the remaining Offerors is appropriate based on the negotiations. The Contract award, if any, will then be based on the final ranking of Offerors, as adjusted.

Auction techniques that reveal one Offeror's price to another or disclose any other material information derived from competing Proposals are prohibited. Any oral modification of a Proposal will be reduced to writing by the Offeror as described below.

Following negotiations, the State may set a date and time for the submission of best and final Proposals by the remaining Offeror(s) with which the State conducted negotiations. If negotiations were limited and all changes were reduced to signed writings during negotiations, the State need not require the submissions of best and final Proposals.

If best and final Proposals are required, they may be submitted only once; unless the State makes a written determination that it is in the State's interest to conduct additional negotiations. In such cases, the State may require another submission of best and final Proposals. Otherwise, discussion of or changes in the best and final Proposals will not be allowed. If an Offeror does not submit a best and final Proposal, the Offeror's previous Proposal will be considered the Offeror's best and final Proposal.

It is entirely within the discretion of the State whether to permit negotiations. An Offeror must not submit a Proposal assuming that there will be an opportunity to negotiate any aspect of the Proposal. The State is free to limit negotiations to particular aspects of any Proposal, to limit the Offerors with whom the State wants to negotiate, or to dispense with negotiations entirely.

The State generally will not rank negotiations. The negotiations will normally be held to correct deficiencies in the preferred Offeror's Proposal. If negotiations fail with the preferred Offeror, the State may negotiate with the next Offeror in ranking. Alternatively, the State may decide that it is in the interests of the State to negotiate with all the remaining Offerors to determine if negotiations lead to an adjustment in the ranking of the remaining Offerors.

From the opening of the Proposals to the award of the Contract, everyone working on behalf of the State to evaluate the Proposals will seek to limit access to information contained in the Proposals solely to those people with a need to know the information. They will also seek to keep this information away from other Offerors, and the evaluation committee will not be allowed to tell one Offeror about the contents of another Offeror's Proposal in order to gain a negotiating advantage.

Before the award of the Contract or cancellation of the RFP, any Offeror that seeks to gain access to the contents of another Offeror's Proposal may be disqualified from further consideration.

Negotiated changes will be reduced to writing and become a part of the Contract file open to inspection to the public. The written changes will be drafted and signed by the Contractor and submitted to the State within five business days. If the State accepts the change, the State will give the Offeror written notice of the State's acceptance. The negotiated changes to the successful offer will become a part of the Contract.

Failure to Negotiate. If an Offeror fails to provide the necessary information for negotiations in a timely manner, or fails to negotiate in good faith, the State may terminate negotiations with that Offeror and collect on the Offeror's bid bond, if a bid bond was required in order to respond to this RFP.

PART FIVE: AWARD OF THE CONTRACT

Contract Award. The State plans to award the Contract based on the schedule in the RFP, if the State decides the Project is in its best interests and has not changed the award date.

Included as Attachment Four is the contract for this RFP. In order for an Offeror's proposal to remain under active consideration, the Offeror must sign and return the signed Contracts to the State with its response. Submittal of a signed contract does not imply that an Offeror will be awarded the Contract. In awarding the Contract, the State will issue an award letter to the selected Contractor. The Contract will not be binding on the State until the State's duly authorized representative signs both copies and returns one to the Contractor, the State issues a purchase order, and all other prerequisites identified in the Contract have occurred.

The State expects the Contractor to commence work within five (5) working days after the State issues a purchase order under the Contract. If the State awards a Contract pursuant to this RFP and the Contractor is unable or unwilling to commence the work within a reasonable amount of time after Contract award, the State reserves the right to cancel the Contract and return to the original RFP process and evaluate any remaining Offeror Proposals reasonably susceptible of being selected for award of the Contract. The evaluation process will resume with the next highest ranking, viable Proposal.

Contract. If this RFP results in a Contract award, the Contract will consist of this RFP including all attachments, written addenda to this RFP, the Contractor's accepted Proposal, and written, authorized addenda to the Contractor's Proposal. It will also include any materials incorporated by reference in the above documents and any purchase orders and change orders issued under the Contract. The form of the Contract is attached as a one-page attachment to this RFP, but it incorporates all the documents identified above. The general terms and conditions for the Contract are contained in Attachment Three of this RFP. If there are conflicting provisions between the documents that make up the Contract, the order of precedence for the documents is as follows:

1. This RFP, as amended;
2. The documents and materials incorporated by reference in the RFP;
3. The Contractor's proposal, as amended, clarified, and accepted by the State; and
4. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, change orders and addenda issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract.

ATTACHMENT ONE: WORK REQUIREMENTS AND SPECIAL PROVISIONS
PART ONE: WORK REQUIREMENTS

This attachment describes the Project and what the Contractor must do to complete the Project satisfactorily. It also describes what the Contractor must deliver as part of the completed Project (the "Deliverables"), and it gives a recommendation of the Project's schedule.

Scope of Work. This section describes the Work and what the employees and/or sub-contractors the Contractor provides must do to complete this project.

The selected Offeror will provide the following services to the ODI:

A. Major Activities of this project.

1. Develop a Work Plan.
2. Develop a Communication Plan.
3. Identify available State and National Data and Prepare Specifications for a Preliminary Data Request.
4. Conduct Pre-modeling Consultations.
5. Develop a Baseline Model.
6. Conduct a Detailed Analysis and Modeling of up to five (5) health reform proposals.
7. Provide Refinements of the Modeled Health Reform Proposals.
8. Develop Plan Designs be Offered through the Proposed Reforms, and Estimate Rates.
9. Develop Modeling Methodologies that Generate Estimates of Key Outcomes.
10. Issue a Preliminary Report and present those finding.
11. Issue a Final Report and present those findings.

B. Description of Services Required.

1. **A Work Plan.** A preliminary work plan will be provided with the Offerors Proposal. The successful Offeror will also provide a final work plan that meets the scheduling requirements of the project and includes a communication strategy with the state project team. The work plan shall detail the project schedule with timetables for key meetings and deliverables.
2. **Identification of Data Needs.** A preliminary data request for state data (e.g., Medicaid data, state employee health plan data, hospital data, etc.) will be submitted with the Offeror's health reform proposal. Additional relevant data sources should be identified including but not limited to available state and national data such as the Current Population Survey, the Medical Expenditure Panel Survey, the Ohio Family Health Survey and other surveys and studies.
3. **Pre-modeling Consultation with the State Project Team.** The successful Offeror will participate in an on-site meeting with the state project team. The purpose of the meeting will be to finalize the overall project work-plan, schedule, deliverable dates, roles, communications and the process for coordination of the Work. Reimbursement for preparation and travel expenses for this meeting will be included in the proposed budget for this scope of work.

The successful Offer will also meet with the state project team to discuss the availability of state level data to be used to achieve Ohio-specific findings. Information to be discussed will include Ohio's public assistance programs, the state budget and the insurance regulatory environment.

As work on the modeling proceeds, the successful Offeror will do the following:

- a. Review the intended data inputs and modeling assumptions with the state project team.

- b. Work with the state project team to get an accurate picture of Ohio's current environment to ensure that the modeling baseline is accurate.
 - c. Share with the state project team, upon request, information about the computer programs and models used to develop the simulations and analyses so the state project team can understand the processes and attest to the validity of the results. No confidential information of the successful Offeror will be revealed to the public as a result of this process. Confidential information should be labeled as such.
 - d. Share with the state project team modeling assumptions, techniques, and modeling progressions.
 - e. Answer follow-up questions or clarifications as needed.
4. **Baseline Modeling.** The successful Offeror will establish an Ohio baseline description (model) of the current status of health care coverage, costs, health care spending, Ohio's demographic profile for the entire state and by defined regions, and related issues in Ohio for comparison to the projected effects of various health care reforms. The baseline will to the extent possible describe:
- a. Ohio's demographic profile and trends, including age, race/ethnicity, employment status, type of employment, income, education, citizenship/documentation status, family composition, family employment profile, and health status.
 - b. Insurance coverage status of Ohio's population, including the number of Ohioans enrolled by coverage category (e.g., Medicaid, Medicare, individual coverage, small group, large group insured, and large group self-insured) and the uninsured, chronically uninsured, and under-insured.
 - c. Demographic profiles of Ohioans by coverage category and the uninsured, chronically uninsured, and under-insured.
 - d. Current levels of health care spending in Ohio and across sectors, and projected trends, including aggregate health care spending and spending broken down by (i) payer type (e.g., Medicare, Medicaid, insured plans, self-insured plans, government plans, insured individuals due to cost sharing, uninsured individuals, private foundations, and other state and local government payers) and (ii) payee type (e.g., hospital, doctor, pharmacy.) The baseline should detail who pays for health care in Ohio, who is paid, and how much.
 - e. Costs and charges associated with medical care in the aggregate and broken down by provider type (e.g., hospital, doctor, pharmacy) and type of service (inpatient, outpatient, ER, primary care, urgent care, and Rx). The baseline should detail the relationship between medical care and health care spending and uncompensated and under-compensated care.
 - f. Typical benefit structures and designs for health coverage in Ohio, including trends, broken down by coverage categories.
 - g. Prevalence of wellness, prevention, disease and chronic care management programs, health care screenings, and immunizations broken down by demographic profiles and coverage categories. The baseline should also detail the impact of such program on the health status of Ohioans, the costs of such programs, and what saving such programs bring to the overall cost of health care.
 - h. Cost per privately enrolled individual/family broken down by coverage category (e.g., individual market, small group, large group insured, large group self-insured).
 - i. Total and state cost per public program enrollee broken down by coverage category (e.g., Medicaid, CHIP, Medicare, military, etc.).
 - j. Cost associated with uninsured individuals in the aggregate, on a per person basis, and also broken down by those that bear the cost (including state, federal, foundation and private dollars).The baseline should also quantify the increased cost of delaying vital healthcare services for the uninsured.
 - k. Subcomponents of the cost of coverage for the various coverage categories (including claims costs, premiums and loss ratios, administrative costs and, for private coverage, profit margins and cost-shifting related costs).

- l. Distribution of costs among individuals, employees, employers, government and others (including cost-sharing structure for individuals).
- m. The nature and extent of cost-shifting by health care providers by type resulting from uncompensated and under-compensated care, and information as to who bears such cost-shifting and to what extent.
- n. Rate of growth of costs (trends) for the entire state, various demographic groups within the state, and by defined region. Growth rates should also be broken down by coverage categories and by specific health care services. The baseline should show how much costs and rates are growing, for what, and for whom.
- o. Health care disparities, including unequal treatment in the use of services and access to healthcare based on race, ethnicity, income, education and place of residence.
- p. Market and provider structures (e.g., number and type of providers, variety of health plan offerings, state regulatory framework).
- q. Portability of coverage.
- r. Access to care for the entire state and by defined regions, including access to primary care, preventative care, chronic care and distance to providers.
- s. Provider reimbursement rates for private and public coverage.
- t. State tax rates.

The successful Offeror will identify and recommend other relevant baseline categories. The baseline will also include the successful Offeror's best estimates and projections as to how the components of the baseline will change over a five year period if nothing is done to reform Ohio's public and private health coverage programs, laws and markets. A ten-year projection will also be provided.

- 5. **Proposals to be Modeled.** The successful Offeror will conduct a detailed review of up to five (5) health care reform proposals selected by the state project team for technical analysis. The successful Offeror will provide technical assistance to clarify assumptions and accurately detail the reform proposals for modeling purposes. The successful Offeror will provide decision-making support to assist the state project team to arrive at reform details.
- 6. **Model Development and Simulation of Costs, Coverage and Other Impacts.** The successful Offeror will develop modeling methodologies that will generate estimates of key outcomes, including the health care spending, cost and coverage impacts of each reform proposal. The model will project the impact of reforms on the baseline. The methodologies must be able to produce key point estimates and sensitivity analyses of specific outcomes. The methodologies must generate point estimates, to the extent possible, that reflect changes in direction and magnitude for the "coverage and cost" outcomes listed below. It should also identify "winners and losers". With respect to the impacts listed below the successful Offeror will provide a quantitative analysis, where possible, and otherwise provide an "informed discussion" (e.g., based on a review of the literature). The successful Offeror will clearly identify data sources/citations and assumptions for these analyses. It is understood that some estimates of certain outcomes may be constrained by the availability of data and measures.
 - a. Coverage for the entire state and by defined region:
 - 1. Total covered residents.
 - 2. Coverage by category (e.g., group/employer, individual, Medicaid, Medicare, other public).
 - 3. Coverage by benefit level.
 - 4. Coverage by demographic characteristics (e.g., age, race, gender, employment status, income, region).

5. Substitution effects (e.g., crowd-out) including estimates of the movement of Ohioans from one coverage category to another.
- b. Costs for the entire state and by defined region:
1. Health care spending statewide and across sectors (including spending on care for insured and uninsured Ohioans), including statewide spending in the aggregate and broken down by payer category and payee category. For each reform modeled, estimates should detail who pays for health care, who is paid, who is being paid for, and how much is being paid in comparison to the baseline.
 2. Cost associated with covering the uninsured in the aggregate and on a per person basis.
 3. Distribution of costs for covering the uninsured among individuals, employees, employers, government, and others, including estimates as to:
 - a. Changes in cost per privately-enrolled individual/family (including costs by coverage category, such as, individual, small group, and large insured group, and large self-insured group).
 - b. Changes in total cost and state cost per public program enrollee by program (e.g., Medicaid, CHIP, Medicare, military, etc.).
 - c. Changes in cost per uninsured individual (including federal, state, foundation, and private dollars).
 4. Sub-components of coverage costs for the various coverage categories (including claims costs, premiums and loss ratios, administrative costs and, for private coverage, profit margins and cost-shifting related costs).
 5. The nature and extent of cost-shifting by health care providers by type resulting from uncompensated and under-compensated care, and information as to who bears such cost-shifting and to what extent.
 6. Rate of growth of costs (trends) for the entire state, various demographic groups within the state, and by defined region. Growth rates should also be broken down by coverage categories and by specific health care services. The baseline should show how much costs and rates are growing, for what, and for whom.
 7. Distribution of costs among individuals, employees, employers, government, and others (includes cost-sharing structure for individuals) and the rate of growth in costs over the projection period.
 8. Provider reimbursement rates for private and public coverage.
 9. Implementation and transition costs.
 10. State tax rates.
- c. Other impacts.
1. Analysis of financing and sources of revenue required (including public and total revenues, including administrative costs and net revenue, taking into account, to the extent specified in the reform proposals, federal or local funding transfers).
 2. Analysis of necessary or implicit changes to local, state, or federal statutes or regulations (e.g., ERISA, Medicaid waivers, etc.).
 3. Analysis of broader economic effects of each model and requirements for financial sustainability (e.g., effects on employment, wages and business development, stability in health care cost/prices over time, effects on capital formation).
 4. Analysis of the impact of reforms on health care disparities among Ohio's population.

5. Analysis of necessary or implicit changes to the market and provider structures (e.g., numbers and types of providers, including safety net providers, variety of health plan offerings).
6. Analysis of effects on innovation in health care.
7. Analysis of the effects of wellness, prevention, disease and chronic care management programs on premium and overall healthcare costs at one-year, five-year and ten-year intervals.
8. Analysis of which employers, providers, payers, and consumers “win” and “lose”, in terms of cost and efficiency.
9. Analysis of which consumers “win” and “lose” in terms of coverage, benefits, access to care (including wellness and preventive care), quality of care, portability, improvements in health status, health care disparities and consumer choice.
10. Analysis of trends in underinsurance.

Where relevant, these estimates will, to the extent possible, be generated for the entire state and by defined region and broken down by the following subgroups: income category, health status, employment status, race/ethnicity, and, for employed persons, by the size of the employing firm. The methodologies may also generate other point estimates or subgroups, in addition to those outlined above. The methodologies also should generate baseline estimates for each outcome.

Where appropriate, the successful Offeror will make recommendations as to rules that, if implemented, would limit adverse consequences of proposed reforms, such as adverse selection or crowd-out.

For all “per person estimates” (e.g., many of the cost estimates) the successful Offeror will provide a detailed description of the reference population in terms of coverage category and demographic profile.

The successful Offeror will provide a reference coverage plan that mirrors a typical coverage plan held by a majority of Ohioans as a comparative base for analyses.

The costs associated with transitioning to each reform proposal will be included in the simulation and analyses of the proposed reform models.

Cost, coverage and spending implications should be projected annually over a five-year period. A ten-year projection will also be provided.

The methodologies should reflect Ohio-specific demographics; employer-sponsored, small group, and individual insurance markets; public program characteristics; business environment; geography; and health care costs. The methodologies must be able to generate estimates for multiple reform approaches. Multiple modeling/analytical techniques may be used to generate the estimates, especially the analysis of “other impacts”, so long as they produce estimates that can be compared across all of the reform approaches. Modeling approach and key assumptions must be explicitly stated and standardized across the multiple methodologies used.

7. **Refinements of the Modeled Reform Proposals.** The successful Offeror will work with the state project team to adjust assumptions and otherwise refine health reform proposals to improve the health reform proposals’ performance on coverage, cost and other impacts.
8. **Development of Plan Designs.** The successful Offeror will work with the state project team to design one or more health benefit plans that will be offered to Ohioans as a result of the reforms being modeled. The successful Offeror will make recommendations regarding options for plan designs that meet each of the following:
 - a. The plans must:
 1. Cover, at a minimum, all primary and preventive health care services, inpatient care, and prescription drugs OR cover a minimum benefit package to be determined in consultation with the state project team.

2. Be affordable as determined in consultation with the state project team.
 3. Improve the short term and long term health status of participants based on criteria to be established.
 4. Encourage and reward healthy behavior among members, including participation in wellness programs, preventive care, primary care, and chronic care management.
 5. Encourage the right care at the right time, and discourage the wrong care at the wrong time.
 6. Coordinate care across providers and delivery systems.
 7. Incorporate pay for provider performance.
 8. Promote evidence based medicine.
 9. Utilize health information technology.
 10. Improve the quality of health care.
 11. Address health care disparities; and
 12. Reduce the rate of growth in health care costs both in the short term and long term through an increased emphasis on health promotion and disease prevention, evidence-based practice, and health information technology.
- b. The successful Offeror will also:
1. Provide evidence-based information to quantify how and to what extent each particular health benefit plan and its components will meet the foregoing requirements.
 2. Develop projected rates related to each proposed plan design or components of plan designs that can be used to model proposed reforms incorporating such plans or components.
 3. Work to project over time how particular benefit plans and components of such plans will reduce health care costs, improve the health status of participants, reduce health care disparities, and improve the quality and timeliness of health care; and
 4. Recommend how the health plan designs will be incorporated into the modeling of reforms specified in this scope of work.

C. Deliverables.

1. **Project Work Plan.** The successful Offeror will submit a preliminary work plan with its Proposal. The successful Offeror will also prepare a final written work plan with timelines and communications strategy.
 - A. Project Schedule.
 - B. Communication Plan.
2. **Preliminary Technical Assistance.** The successful Offeror will work with the project leader and state project team to 1) ensure health reform proposals are sufficiently detailed for analysis and that parallel assumptions are made across models for direct comparison and 2) adjust modeling assumptions and otherwise refine health reform proposals to improve the reform proposals' performance on coverage, cost, and other impacts
3. **Summaries of Model Iterations.** The successful Offeror will create summary tables after each modeling iteration to facilitate communications between the successful Offeror and the state project team. The summary side-by-side tables will provide a clear description of the models analyzed, including the current system of health coverage in Ohio (baseline) and the health reform proposals. The tables will also include the modeling results for coverage and cost and will include results for a few representative individuals and

families. The successful Offeror will provide a brief bulleted narrative to accompany the tables that identify key policy-relevant decision and options.

4. **Data Synopsis and Request.** The successful Offeror will prepare a synopsis that summarizes and describes the available data sources, data inputs and modeling assumptions. The successful Offeror will also prepare a final data request for available state level data needed for the baseline or modeling.
5. **Plan Designs.** The successful Offeror will prepare recommendations and options for plan designs or components of plan designs that can be incorporated into proposed reforms that will meet the objectives of section 8 of the Detailed Description of Services. Projected rates relating to such plans or components will also be developed
6. **Preliminary Report.** The successful Offeror will prepare a preliminary written report describing the baseline; the health reform proposals analyzed; the process for specification/refinement of models; the methodologies used for analysis and simulation; the point estimates; assumptions and sensitivity analyses for each model; comparison with the baseline; recommended plan designs; and other considerations. The preliminary report should describe and explain key elements of sections 4, 5, 6, 7, and 8 of the Detailed Descriptions of Services. The successful Offeror will work with the project leader and state project team to prepare the preliminary report.
7. **Final Report.** The successful Offeror will prepare a final written report which includes:
 - A. Executive summary written that is understandable to the layperson.
 - B. Detailed technical report, including detailed documentation of all modeling methodologies employed, assumptions, findings, and the results of sensitivity analysis.
 - C. Description of the current Ohio demographics and health system and a projection of its cost, coverage, and other impacts over the next five years.
 - D. A description of the health reform proposals and a projection of their cost, coverage and other impacts over the next five years.
 - E. A comparison of the projection of the current health care system to each of the reform proposals.
 - F. A summary of final considerations and successful Offeror /Consultant commentary for each model, and the current health care system.

The successful Offeror will work with the Project Manager and state project team to prepare the final report.

Contractor Responsibilities and Deliverables. The Contractor must meet all RFP requirements and perform the Work as defined in the Scope of Work and as outlined in the Offeror's proposal and work plan.

Meeting Attendance and Reporting Requirements. The Contractor's project management approach must adhere to the following Project meeting and reporting requirements:

- A. A pre-performance meeting is required to select the reporting format, review performance requirements and method of reporting.
- B. The successful Offeror will provide weekly written status reporting and exception-level status reporting to the ODI Program Manager. The successful Offeror will be required to participate in weekly status meetings conducted by conference call.
- C. The successful Offeror will participate in meetings with technical and business personnel or groups recommended by the executive sponsor and/or Program Manager and will independently conduct and facilitate meetings with associated subject matter experts.
- D. The ODI may require information and/or data be provided at different frequencies of time based on the Work being performed and the schedule of performance.
- E. The successful Offeror will be available to participate in ten Ohio-based presentations of its methodological

approaches and findings of the technical analysis of the health reform proposals. Potential audiences include the governor, state agencies, legislators, stakeholders, and the public. The meetings will be held in Ohio and will include but are not limited to:

1. Presentation of the preliminary report at a public meeting.
2. Presentation of the final report at a public meeting.
3. Presentations to other groups such as legislative committees, staff groups, or open public meetings for interested individuals.

The successful Offeror also will develop materials for project team use for meetings during the modeling process.

The Contract end date may be extended as necessary to accommodate these presentations.

Presentations of the preliminary or final report to any other individual, group or organization must be approved in advance by the Project Manager.

- F. Immediate Reporting – The Project Leader or his or her designee must immediately report any certified Project Team staffing changes to the Agency Project Representative (See: Attachment Three: Part Two: Replacement Personnel).

ATTACHMENT ONE: WORK REQUIREMENTS AND SPECIAL PROVISIONS
PART TWO: SPECIAL PROVISIONS

The Contractor's Fee Structure. The Contractor shall be compensated at the agreed to "not to exceed cost" after the ODI accepts monthly and end of project reports.

The State may negotiate a payment schedule which may include accepting Offeror invoices after satisfactory completion of each of the Contract deliverables, for the cost, as represented on the selected Offeror's Cost Proposal, of the completed deliverable(s), or may permit interim payment based on progress toward deliverable completion for amounts not to exceed the Cost Proposal price for each deliverable.

Reimbursable Expenses. Only as specified in the Cost Summary.

Billings/Invoicing. Each invoice must contain the following information:

- A. Contractor's name and address;
- B. Contractor's federal tax identification number as designated in the Contract;
- C. Agency purchase order number;
- D. Itemized billing as shown on the agency purchase order;
- E. Service provided;
- F. Dates of services;
- G. Remit to address.

Electronic Funds Transfer (EFT): The successful Offeror is entitled to enroll in the EFT program if so desired. The application form is located at the following site: www.auditor.state.oh.us Go to Forms/Publications, then Auditor Forms, under the heading Fiscal Forms, the title and form number is EFT Form – Vendor AUD 8361-C. This form is in PDF format.

Invoices may be mailed or hand delivered to the following address:

Ohio Department of Insurance
Attn: Jianming Xie
2100 Stella Court
Columbus, OH 43215

Remedies for Default.

- A. **Actual Damages.** Contractor is liable to the State for all actual and direct damages caused by the Contractor's default. The State may buy substitute supplies or services, from a third party, for those that were to be provided by the Contractor. The State may recover the costs associated with acquiring substitute supplies or services, less any expenses or costs saved by the Contractor's default, from Contractor.
- B. **Liquidated Damages.** If actual and direct damages are uncertain or difficult to determine, the State may recover liquidated damages in the amount of 1% of the value of the order, or \$250.00 per day, whichever is less, for every day the default is not cured by the Contractor.

Deduction of Damages from Contract Price. The Participating State agency may deduct all or any part of the damages resulting from Contractor's default from any part of the price still due on the contract, with DAS prior written notice to the Contractor.

ATTACHMENT TWO: REQUIREMENTS FOR PROPOSALS

Proposal Format. Each Proposal must include sufficient data to allow the State to verify the total cost for the Project and all of the Offeror's claims of meeting the RFP's requirements. Each Proposal must respond to every request for information in this attachment whether the request requires a simple "yes" or "no" or requires a detailed explanation. Simply repeating the RFP's requirement and agreeing to comply will be an unacceptable response and may cause the Proposal to be rejected.

These instructions describe the required format for a responsive Proposal. The Offeror may include any additional information it believes is relevant. An identifiable tab sheet must precede each section of a Proposal, and each Proposal must follow the format outlined below. All pages, except pre-printed technical inserts, must be sequentially numbered. Any material deviation from the format outlined below may result in a rejection of the non-conforming Proposal.

Each Proposal must contain the following information in chronological order as stated below:

1. Cover Letter
2. Certification
3. Offeror Disclosure of Location of Services and Data
4. Offeror Profile
5. Offeror References
6. Contract Performance
7. Staffing Plan
8. Time Commitment
9. Personnel Profile Summary
10. Work Plan
11. Identification of Data Needs
12. Support Requirements
13. Equipment and System Elements – Not Required for this RFP
14. Pre-Existing Materials – Not Required for this RFP
15. Commercial Materials
16. Warranty for Commercial Materials
17. Proposal Guarantee/Performance Bond – Not Required for this RFP
18. Conflict of Interest Statement
19. Proof of Insurance
20. Payment Address
21. W-9 Form and New Vendor Information Form
22. Signed Contract
23. Cost Summary – Separate Sealed Envelope
24. Declaration Regarding Material Assistance (DMA) Form
25. Reports from Similar Projects

1. **Cover Letter.** The cover letter must be in the form of a standard business letter and must be signed by an individual authorized to legally bind the Offeror. The cover letter will provide an executive summary of the solution the Offeror plans to provide. The letter must also have the following:
 - a. A statement regarding the Offeror's legal structure (e.g., an Ohio corporation), Federal tax identification number, and principal place of business;
 - b. A list of the people who prepared the Proposal, including their titles;
 - c. The name, phone number, fax number, e-mail address, and mailing address of a contact person who has authority to answer questions regarding the Proposal;
 - d. A list of all subcontractors, if any, that the Offeror will use on the Project if the Offeror is selected to do the Work;
 - e. For each proposed subcontractor, the Offeror must attach a letter from the subcontractor, signed by someone authorized to legally bind the subcontractor, with the following included in the letter:
 1. The subcontractor's legal status, tax identification number, and principal place of business address;
 2. The name, phone number, fax number, e-mail address, and mailing address of a person who is authorized to legally bind the subcontractor to contractual obligations;
 3. A description of the work the subcontractor will do;
 4. A commitment to do the work if the Offeror is selected;

5. A statement that the subcontractor has read and understood the RFP and will comply with the requirements of the RFP; and
6. A statement that the Subcontractor will maintain any permits, licenses, and certifications required to perform work;
- f. A statement that the Offeror's Proposal covers all of the requirements of this RFP;
- g. A statement that the Offeror has not taken any exception to the Terms and Conditions;
- h. A statement that the Offeror does not assume there will be an opportunity to negotiate any aspect of the proposal;
- i. A statement indicating the Offeror will comply with all Federal and Ohio (Ohio Revised Code) Laws and Rules of the Ohio Administrative Code as those law and rules are currently enacted and promulgated, and as they may subsequently be amended and adopted;
- j. A statement that the Contractor shall not substitute, at Project start-up, different personnel from those evaluated by the State except when a candidate's unavailability is no fault of the Contractor (e.g. Candidate is no longer employed by the Contractor, is deceased, etc.); and
- k. A statement that the Offeror is not now, and will not become subject to an "unresolved" finding for recovery under Revised Code Section 9.24, prior to the award of a Contract arising out of this RFP, without notifying DAS of such finding.
- l. A statement that all the Offerors personal and business associates are in compliance with Chapter 3517 of the Revised Code regarding limitations on political contributions and will remain in compliance for the duration of the Contract and with all applicable provisions that extend beyond the expiration of the Contract. Refer to the Political Contributions paragraph in Attachment Three, Part Seven of this RFP.
- m. Attach documentation and/or copies of certificates if required, to verify mandatory requirements listed in PART FOUR: EVALUATION OF PROPOSALS within Table One.

All Offerors who seek to be considered for a contract award must submit a response that contains an affirmative statement using the language in paragraph(s) a. through k. above.

2. Certification. Each Proposal must include the following certification on company letterhead signed by an individual authorized to legally bind the Offeror.

(Insert Company name) affirms they are the prime Contractor.

(Insert Company name) affirms it shall not and shall not allow others to perform work or take data outside the United States without express written authorization from the Agency Project Representative.

(Insert Company name) affirms that all personnel provided for the Project, who are not United States citizens, will have executed a valid I-9 form and presented valid employment authorization documents.

(Insert Company name) affirms that any small business program participants will provide necessary data to ensure program reporting and compliance.

(Insert Company name) agrees that it is a separate and independent enterprise from the state of Ohio and the Department of Administrative Services and the Department of Insurance. *(Insert Company name)* has a full opportunity to find other business and has made an investment in its business. Moreover *(insert Company name)* will retain sole and absolute discretion in the judgment of the manner and means of carrying out its obligations and activities under the Contract. This Contract is not to be construed as creating any joint employment relationship between *(insert Company name)* or any of the personnel provided by *(insert Company name)* or the Department of Administrative Services and the Department of Insurance.

(Insert Company name) affirms that the individuals supplied under the Contract are either (1) employees of *(insert Company name)* with *(insert Company name)* withholding all appropriate taxes, deductions or contributions required under law or (2) independent contractors to *(insert Company name)*.

If the Offeror's personnel are independent contractors to the Offeror, the certification must also contain the following sentence:

(Insert Company name) affirms that it has obtained a written acknowledgement from its independent contractors that they are separate and independent enterprises from the state of Ohio and the Department of Administrative Services and the Department of Insurance for all purposes including the application of the Fair Labor Standards Act, Social Security Act, Federal Unemployment Tax Act, Federal Insurance Contributions Act, the provisions of the Internal Revenue Code, Ohio tax law, worker's compensation law and unemployment insurance law.

- 3. Offeror Disclosure of Location of Services and Data.** As part of the Proposal, the Offeror must disclose the following:
- a. The location(s) where all services will be performed;
 - b. The location(s) where any state data applicable to the contract will be maintained or made available; and
 - c. The principal location of business for the contractor and all subcontractors.

During the performance of this contract, the Offeror must not change the location(s) of the country where the services are performed, change the location(s) of the country where the data are maintained, or made available without prior written approval of the State.

- 4. Offeror Profile.** Each Proposal must include a profile of the Offeror's capability, capacity, and relevant experience working on projects similar to this Work. The profile must also include the Offeror's legal name, address, telephone number, and fax number; home office location; date established; ownership (such as public firm, partnership, or subsidiary); firm leadership (such as corporate officers or partners); number of employees; number of employees engaged in tasks directly related to the Work; and any other background information that will help the State gauge the ability of the Offeror to fulfill the obligations of the Contract. The financial stability of the company should also be described and is considered a necessary component of this portion of the Proposal's response. Failure to recreate these forms accurately to include all fields, may lead to the rejection of the Offeror's Proposal.

The Offer shall also provide information on the firm's background as well as evidence that it has in place the personnel, internal procedures, and any other resources required under the terms of the Contract to ensure successful performance and contract compliance. Offerors must describe current operational capacity of the organization and the Offeror's ability to absorb the additional workload resulting from this Project.

The Offeror will provide information that will demonstrate a high level of expertise in health services research and economic modeling techniques, with experience in the areas of modeling health care coverage, cost, spending, and other demographic and health-related impacts. Experience with modeling both commercial coverage and public coverage is required. The Offeror will have experience with 1) projects similar to the size and scope of this project, 2) state health reforms and issues, 3) analysis of populations by demographic profile, and 4) producing of a variety of technical and lay reports for different audiences. The Offeror's team leader/Project Leader shall also meet these requirements

- 5. Offeror References.** The Offeror must include a minimum of three (3) references for organizations and/or clients for whom the Offeror has successfully provided services on projects that were similar in their nature, size and scope to the Work. These references must relate to work that was completed within the past five (5) years. This RFP includes an Offeror reference form as Attachment Six. Failure to recreate the form accurately may lead to the rejection of the Offeror's Proposal. Each reference must be willing to discuss the Offeror's performance with the evaluation committee.

The State does not assume that since the experience requirement is provided at the top of the page that all descriptions on that page relate to that requirement. Offerors must reiterate the experience being described, including the capacity in which the experience was performed and the role of the Offeror on the Project. It is the Offeror's responsibility to customize the description to clearly substantiate the qualifications. Previous experience must include the conduct, management and coordination of projects. Incumbents must ensure specifics are addressed. Evaluations will not be based on intrinsic knowledge of evaluation committee members.

- A. Contact Information. The contact name, title, phone number, e-mail address, company name, and mailing address must be completely filled out. If the primary contact cannot be reached, the same information must be included for an alternate contact in lieu of the primary contact. Failure to provide requested contact information may result in the State not including the reference in the evaluation process.
- B. Project Name. The name of the project where the mandatory experience was obtained and/or service was provided.
- C. Dates of Experience. Must be completed to show the length of time the Offeror performed the experience being described, not the length of time the Offeror was engaged for the reference. The Offeror must complete these dates with a beginning month and year and an ending month and year.
- D. Description of the Related Service Provided. The State does not assume that since the experience requirement is provided at the top of the page that all descriptions on that page relate to that requirement.

Offerors must reiterate the experience being described, including the capacity in which the experience was performed and the role of the Offeror on the Project. It is the Offeror's responsibility to customize the description to clearly substantiate the qualification.

- E. Description of how the related service shows the Offeror's experience, capability and capacity to develop this Project's deliverables and/or to achieve this Project's milestones.
- F. The Offeror's project experience must be listed separately and completely every time it is referenced, regardless of whether it is on the same or different pages of the form.

6. Contract Performance. The Offeror must complete Attachment Eight, Offeror Performance Form.

7. Staffing Plan. The Offeror must provide a staffing plan that identifies all personnel required to do the Project and their responsibilities on the Project. The State is seeking a staffing plan that matches the proposed Project key personnel and qualifications to the activities and tasks that will be completed on the Project. In addition, the plan must have the following information:

- A. A matrix matching each team member to the staffing requirements in this RFP;
- B. A contingency plan that shows the ability to add more staff if needed to ensure meeting the Project's due date(s); and
- C. A discussion of the Offeror's ability to provide qualified replacement personnel.

8. Time Commitment. The Offeror must submit a statement and chart that clearly indicate the time commitment of the proposed Project Leader and the proposed team members to this Project during each phase of the System Development Life Cycle (SDLC). The Offeror must also include a statement indicating to what extent, if any, the Project Leader may be used on other projects during the term of the Contract. The State may reject any Proposal that commits the proposed Project Manager and any proposed Key Project personnel/Field Supervisor to other projects during the term of the Project if the State believes that doing so will be detrimental to the Offeror's performance.

9. Personnel Profile Summary. Each Proposal must include a profile for every key member of the proposed Work Team. This RFP includes Personnel Profile Summary forms as Attachments Seven A, B and C. The Offeror must use these forms and fill them out completely for each candidate and reference listed. The forms must be completed using typewritten or electronic means. The forms may be recreated electronically, but all fields and formats must be retained. Failure to recreate the forms accurately may lead to the rejection of the Offeror's Proposal.

One of the criteria on which the State may base the award of the Contract is the quality of the Offeror's Work Team. Switching personnel after the award will not be accepted without due consideration. The Offeror must propose a Work Team that collectively meets all the requirements in this RFP, as demonstrated through the Personnel Profile Summary forms. Additionally, each team member may have mandatory requirements listed in this RFP that the team member must individually meet. All candidates proposed must meet the technical experience for the candidate's position and be named.

All candidate requirements must be provided using the Personnel Profile Summary Forms (See Attachments Seven A, B and C.) The various sections of the form are described below:

- a. Candidate References. If fewer than three (3) projects are provided, the Offeror must include information as to why fewer than three (3) projects were provided. The State may disqualify the proposal if fewer than three (3) projects are given. (Refer to Attachment Seven A.)
- b. Education and Training. This section must be completed to list the education and training of the proposed candidates and will demonstrate, in detail, the proposed candidate's ability to properly execute the Contract based on the relevance of the education and training to the requirements of the RFP. (Refer to Attachment Seven B.)
- c. Mandatory Experience and Qualifications. This section must be completed to show how the candidate meets the mandatory experience requirements. If any candidate does not meet the mandatory requirements for the position the candidate has been proposed to fill, the Offeror's Proposal may be rejected as non-responsive. (Refer to Attachment Seven C.)

For each reference the following information must be provided:

- A. Candidate's Name.

- B. Contact Information. The contact name, title, phone number, e-mail address, company name, and mailing address must be completely filled out. If the primary contact can not be reached, the same information must be included for an alternate contact in lieu of the primary contact. Failure to provide requested contact information may result in the State not including the reference experience in the evaluation process.
- C. Dates of Experience. Must be completed to show the length of time the candidate performed the technical experience being described, not the length of time the candidate worked for the company. The Offeror must complete these dates with a beginning month and year and an ending month and year.
- D. Description of the Related Service Provided. The State does not assume that since the technical requirement is provided at the top of the page that all descriptions on that page relate to that requirement. Contractors must reiterate the technical experience being described, including the capacity in which the experience was performed and the role of the candidate in the reference project as it relates to this RFP Project. It is the Contractors' responsibility to customize the description to clearly substantiate the candidate's qualification.

The candidate's project experience must be listed separately and completely every time it is referenced, regardless of whether it is on the same or different pages of the form.

10. Work Plan. The State encourages responses that demonstrate a thorough understanding of the nature of the Work and what the Offeror must do to complete the Work satisfactorily. The Offeror must submit for this section of the proposal the Work Plan that will be used to create a consistent, coherent management plan of action that will be used to guide the Work. The Work Plan should include detail sufficient to give the State an understanding of the Offeror's knowledge and approach. Specifically:

- A. The Offeror must demonstrate its qualifications and experience in performing Work in compliance with current industry standards.
- B. The Offeror must demonstrate their qualifications and ability to perform the Work.
- C. The Offeror will provide three (3) references from previous work of similar size, scope, and nature. Offeror must include their names, titles, companies, addresses, and telephone numbers.
- D. The Offeror must list their qualifications, experience, and area(s) of expertise.
- E. The Offeror must identify how they will perform the Work identified in the Work plan.
- F. The Offeror will provide a detailed Work schedule for all deliverables and must be submitted in Gantt chart form. The schedule should clearly demonstrate how the Work will be fully completed and the time-line for each item (See item number 8).

NOTE: Each of the above elements must be addressed separately and tabbed individually.

The State seeks insightful responses that describe proven state-of-the-art methods. The recommended solutions should demonstrate that the Offeror would be prepared to quickly undertake and successfully complete the required tasks. The Offeror's Work Plan should clearly and specifically identify key personnel assignments (NOTE: The staffing plan should be consistent with the Work plan).

The Consultant's work plan should strive toward completing the Product Statement of Work, or as much thereof as possible, by November 30, 2007. For information or deliverables outlined in the Project Statement of Work that cannot be provided by such date, the Consultant should identify those items, and provide a work plan with timelines for completing those items in a timely fashion.

- 11. Identification of Data Needs.** A preliminary data request for state data (e.g., Medicaid data, state employee health plan data, hospital data, etc.) will be submitted with the Offeror's health reform proposal. Additional relevant data sources should be identified including but not limited to available state and national data such as the Current Population Survey
- 12. Support Requirements.** The Offeror must describe the support it wants from the State other than what the State has offered in this RFP. Specifically, the Offeror should address the following:
 - A. Nature and extent of State support required in terms of staff roles, percentage of time available, etc.;

- B. Assistance from State staff and the experience/qualification level required; and
- C. Other support requirements.

The State may not be able or willing to provide the additional support the Offeror lists in this part of its Proposal. The Offeror must therefore indicate whether its request for additional support is a requirement for its performance. If any part of the list is a requirement, the State may reject the Offeror's Proposal if the State is unwilling or unable to meet the requirements.

13. Equipment and System Elements. Not Required for this RFP.

14. Pre-existing Materials. Not Required for this RFP.

15. Commercial Materials. The Offeror must list any commercial and confidential materials that the Offeror will deliver that are easily copied (e.g., software) and in which the State will be granted less than full ownership. Generally, these will be from third parties and readily available in the open market. Patented parts of equipment need not be listed since they are not readily copied. If the State will be expected to sign a license for the Commercial Material, the license agreement must be included as an attachment. If the State finds any provisions of the license agreement objectionable for any reason and cannot or does not negotiate an acceptable solution with the third party, regardless of the reason and in the State's sole discretion, then the Offeror's Proposal will be rejected. If the State is not going to sign a license, but there will be limits on the State's use of the Commercial Materials different from the standard license in the General Terms and Conditions, then the unique scope of license needs to be detailed here. Unless otherwise provided elsewhere in this RFP, proposing to use Commercial Materials in a custom solution may, in the State's sole discretion, be a basis for rejection of the Offeror's Proposal if the State believes that such is not appropriate or desirable for the Project. Any deviation from the standard license, warranty, and other related terms in the General Terms 'Commercial Material' Section, will likely result in a rejection of the Proposal, in the State's sole discretion.

16. Warranty for Commercial Materials. If the Offeror plans to provide a Deliverable that contains Commercial Software with warranty terms that differ from the warranty terms in the General Terms and Conditions attachment, then the scope of warranty must be detailed here. Even if the State is not required to sign a license for the software this warranty is required. If there is any deviation from the standard warranty in the General Terms section of this RFP for Commercial Materials it will likely result in a rejection of the Proposal.

17. Proposal Guarantee/Performance Bond. Not Required for this RFP.

18. Conflict of Interest Statement. Each Proposal must include a statement indicating whether the Offeror or any people that may work on the Project through the Offeror have a possible conflict of interest (e.g., employed by the state of Ohio, etc.) and, if so, the nature of that conflict. The State has the right to reject a Proposal in which a conflict is disclosed or cancel the Contract if any interest is later discovered that could give the appearance of a conflict. The Offeror must disclose all business relationships with or ownership interest in entities located or operating in Ohio including, but not limited to insurers, employers, providers of medical services, collective bargaining units, organizations or trade associations representing Ohio insurers, medical providers or employers. In cases where such relationships exist, the Offeror will describe how the potential conflict of interest and/or disclosure of confidential information related to this Contract will be avoided.

19. Proof of Insurance. In this section, the Offeror must provide the certificate of insurance required by the General Terms & Conditions. The policy may be written on an occurrence or claims made basis.

20. Payment Address. The Offeror must give the address to which payments to the Offeror will be sent.

21. W-9 Form and New Vendor Information Form. The Offeror must complete the attached W-9 form in its entirety. At least one (1) original W-9 form must be submitted. All other copies of a Proposal may contain copies of the W-9 form. Please indicate on the outside of the binder which Proposal contains the original, blue ink signature. (Attachment Nine)

22. Signed Contracts. The Offeror must provide two (2) originally signed, blue ink copies of the included Contract, Attachment Four. The Offeror must complete, sign and date both copies of the Contract and include it with their Proposal (Attachment Four).

23. Cost Summary. This RFP includes a Cost Summary Form provided as Attachment Eleven. The Offeror may not reformat this form. Each Offeror must complete the Cost Summary Form in the exact format provided. Any reformatting may cause the State to reject the Offeror's Proposal.

The Offeror's total cost for the entire project must be itemized for each Deliverable, and the total must be represented as the not-to-exceed fixed price.

The State will not be liable for any costs the Offeror does not identify in its Proposal.

Attachment Eleven must be completed and returned in a separate sealed envelope.

24. Declaration Regarding Material Assistance/Non-assistance to a Terrorist Organization (DMA). The Offeror being awarded this Contract must be registered with the Ohio Business Gateway (OBA) at <http://obg.ohio.gov> to file for DMA pre-certification; if you are not already registered you must:

1. register with the Ohio Business Gateway (OBG) at <http://obg.ohio.gov>;
2. review the Terrorist Exclusion List at: http://www.homelandsecurity.ohio.gov/DMA_Terrorist/terrorist_exclusion_list.pdf;
3. complete the Declaration Regarding Material Assistance/Non-Assistance to a Terrorist Organization (DMA) form http://www.homelandsecurity.ohio.gov/DMA_Terrorist/HLS_0038_Contracts.pdf and submit this with your response.

Failure to complete the certification may result in the Offeror being deemed not responsive and/or may invalidate any Contract award. If not submitted with the proposal response, the Offeror will have seven (7) calendar days, after notification, to submit the form.

25. Reports from Similar Projects. The Offeror must provide three (3) written reports produced in connection with other projects of similar size and scope.

ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART ONE: PERFORMANCE AND PAYMENT

Statement of Work. The RFP and the Contractor's Proposal (Collectively referred to as the "RFP") are a part of this Contract and describe the Work (the "Project") the Contractor will do and any materials the Contractor will deliver (the "Deliverables") under this Contract. The Contractor will do the Project in a professional, timely, and efficient manner and will provide the Deliverables in a proper fashion. The Contractor will also furnish its own support staff necessary for the satisfactory performance of the Project.

The Contractor will consult with the appropriate State representatives and others necessary to ensure a thorough understanding of the Project and satisfactory performance. The State may give instructions to or make requests of the Contractor relating to the Project, and the Contractor will comply with those instructions and fulfill those requests in a timely and professional manner. Those instructions and requests will be for the sole purpose of ensuring satisfactory completion of the Project and will not amend or alter the scope of the Project.

Term. Unless this Contract is terminated, it will remain in effect until June 30, 2008. Termination or expiration of this Contract will not limit the Contractor's continuing obligations with respect to Deliverables that the State paid for before termination or limit the State's rights in such.

It is understood that the State's funds are contingent upon the availability of lawful appropriations by the Ohio General Assembly. If the General Assembly fails at any time to continue funding for the payments and other obligations due as part of this Contract, the State's obligations under this Contract are terminated as of the date that the funding expires without further obligation of the State.

The Project has a completion date that is identified in the RFP. The RFP may also have several dates for delivery of Deliverables or reaching certain milestones in the Project. The Contractor must make those deliveries, meet those milestones, and complete the Project within the times the RFP and the mutually agreed to Project plan requires. If the Contractor does not meet those dates, the Contractor will be in default, and the State may terminate this Contract under the termination provision contained below. The State may also have certain obligations to meet. Those obligations, if any, are also listed in the RFP. If the State agrees that the Contractor's failure to meet the delivery, milestone, or completion dates in the RFP is due to the State's failure to meet its own obligations in a timely fashion, then the Contractor will not be in default, and the delivery, milestone, and completion dates affected by the State's failure to perform will be extended by the same amount of time as the State's delay. The Contractor may not rely on this provision unless the Contractor has in good faith exerted all professional management skill to avoid an extension and has given the State meaningful written notice of the State's failure to meet its obligations within five (5) business days of the Contractor's realization that the State's delay will impact the Project. The notice to the State must be directed at making the State aware of its delay and the impact of its delay. It must be sent to the Agency Project Representative and the State Procurement Representative. Remedies resulting from the State's delay will be at the State's discretion.

The State seeks a complete Project. Any incidental items omitted in the RFP will be provided as part of the Contractor's not-to-exceed fixed price. The Contractor must fully identify, describe, and document all systems that are delivered as a part of the Project. All hardware, software, supplies, and other required components (such as documentation, conversion, training, and maintenance) for the Project to be complete and useful to the State are included in the Project and the not-to-exceed fixed price.

Compensation. In consideration of the Contractor's promises and satisfactory performance, the State will pay the Contractor the amount(s) identified in the RFP (the "Fee"), plus any other expenses identified as reimbursable in the RFP. In no event will payments under this Contract exceed the "not-to-exceed" amount in the RFP without the prior, written approval of the State and, when required, the Ohio Controlling Board and any other source of funding. The Contractor's right to the Fee is contingent on the complete and satisfactory performance of the Project or, in the case of milestone payments or periodic payments of an hourly, daily, weekly, monthly, or annual rate, all relevant parts of the Project tied to the applicable milestone or period. Payment of the Fee is also contingent on the Contractor delivering a proper invoice and any other documents required by the RFP. An invoice must comply with the State's then-current policies regarding invoices and their submission. The State will notify the Contractor in writing within 15 business days after it receives a defective invoice of any defect and provide the information necessary to correct the defect.

The Contractor will send all invoices under this Contract to the "bill to" address in the RFP or in the applicable purchase order.

The State will pay the Contractor interest on any late payment as provided in Section 126.30 of the Ohio Revised Code (the "Revised Code"). That section of the Revised Code currently requires monthly interest payments of one 12th of the annual rate in Section 5703.47 of the Revised Code. If the State disputes a payment for anything covered by an invoice, within 15 business days after receipt of that invoice, the State will notify the Contractor, in writing, stating the grounds for the dispute. The State may then deduct the disputed amount from its payment as a non-exclusive remedy. If, in the opinion of the State, a material breach has occurred by the Contractor, the State retains the right to withhold payment from the Contractor. Both parties agree that an attempt at resolution of any claims or material breach or disputes will first be made jointly by the Contractor Project Leader, the Contractor Project Principal, the Agency Project Representative and the State Procurement Administrator. If, within 30 calendar days following the above notification, the claim or dispute has not been resolved, only then will it be submitted to non-binding mediation (pursuant to the rules as stipulated by the American Arbitration Association). A claim or dispute must be submitted to non-binding mediation prior to the initiation of any formal legal process. The State will consult with the Contractor as early as reasonably possible about the nature of the claim or dispute and the amount of payment affected. When the Contractor has resolved the matter to the State's satisfaction, the State will pay the disputed amount within 30 business days after the matter is resolved. No payments are required to be made by the State until the matter is resolved.

If the State has already paid the Contractor on an invoice but later disputes the amount covered by the invoice, and if the Contractor fails to correct the problem within 30 calendar days after written notice, the Contractor will reimburse the State for that amount at the end of the 30 calendar days as a non-exclusive remedy for the State. On written request from the Contractor, the State will provide reasonable assistance in determining the nature of the problem by giving the Contractor reasonable access to the State's facilities and any information the State has regarding the problem.

Reimbursable Expenses. The State will pay all reimbursable expenses identified in the RFP, if any, in accordance with the terms in the RFP and, where applicable, Section 126.31 of the Revised Code. The Contractor will assume all expenses that it incurs in the performance of this Contract that are not identified as reimbursable in the RFP.

In making any reimbursable expenditure, the Contractor will always comply with the more restrictive of its own, then-current internal policies for making such expenditures or with the State's then-current policies. All reimbursable travel will require the advance written approval of the State's Agency Project Representative. All reimbursable expenses will be billed monthly and paid by the State within 30 business days of receiving the Contractor's invoice.

Certification of Funds. None of the rights, duties, or obligations in this Contract will be binding on the State, and the Contractor will not begin its performance, until all the following conditions have been met:

- (a) All statutory provisions under the Revised Code, including Section 126.07, have been met;
- (b) All necessary funds are made available by the appropriate state agencies;
- (c) If required, approval of this Contract is given by the Controlling Board of Ohio; and
- (d) If the State is relying on Federal or third-party funds for this Contract, the State gives the Contractor written notice that such funds have been made available.

Employment Taxes. Each party will be solely responsible for reporting, withholding and paying all employment related taxes, payments and withholdings for its own personnel, including, but not limited to, Federal, state and local income taxes, social security, unemployment or disability deductions, withholdings, and payments (together with any interest and penalties not disputed with the appropriate taxing authority). All people the Contractor provides to the State under this Contract will be deemed employees of the Contractor for purposes of withholdings, taxes, and other deductions or contributions required under the law.

Sales, Use, Excise, and Property Taxes. The State is exempt from any sales, use, excise, and property tax. To the extent sales, use, excise, or any similar tax is imposed on the Contractor in connection with the Project, such will be the sole and exclusive responsibility of the Contractor. The Contractor will pay such taxes, together with any interest and penalties not disputed with the appropriate taxing authority, whether they are imposed at the time the services are rendered or at a later time.

ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART TWO: WORK & CONTRACT ADMINISTRATION

Related Contracts. The Contractor warrants that the Contractor has not and will not enter into any contracts without written approval of the State to perform substantially identical services for the State such that the Project duplicates the work done or to be done under the other contracts.

Subcontracting. The Contractor may not enter into subcontracts for the Work after award without written approval from the State. The Contractor will not need the State's written approval to subcontract for the purchase of commercial goods that are required for satisfactory completion of the Work. All subcontracts will be at the sole expense of the Contractor unless expressly stated otherwise in the RFP.

The Contractor is encouraged to collaborate and/or subcontract with MBE certified companies.

The State's approval of the use of subcontractors does not mean that the State will pay for them. The Contractor will be solely responsible for payment of its subcontractor and any claims of subcontractors for any failure of the Contractor or any of its other subcontractors to meet the performance schedule or performance specifications for the Project in a timely and professional manner. The Contractor will hold the State harmless for and will indemnify the State against any such claims.

The Contractor will assume responsibility for all Deliverables whether it, a subcontractor, or third-party manufacturer produces them in whole or in part. Further, the State will consider the Contractor to be the sole point of contact with regard to contractual matters, including payment of all charges resulting from the Contract. And the Contractor will be fully responsible for any default by a subcontractor, just as if the Contractor itself had defaulted.

If the Contractor uses any subcontractors, each subcontractor must have a written agreement with the Contractor. That written agreement must incorporate this Contract by reference. The agreement must also pass through to the subcontractor all provisions of this Contract that would be fully effective only if they bind both the subcontractor and the Contractor. Among such provisions are the limitations on the Contractor's remedies, the insurance requirements, record keeping obligations, and audit rights. Some sections of this Contract may limit the need to pass through their requirements to subcontracts to avoid placing cumbersome obligations on minor subcontractors. This exception is applicable only to sections that expressly provide exclusions for small-dollar subcontracts. Should the Contractor fail to pass through any provisions of this Contract to one of its subcontractors and the failure damages the State in any way, the Contractor will indemnify the State for the damage.

Record Keeping. The Contractor will keep all financial records in accordance with generally accepted accounting procedures consistently applied. The Contractor will file documentation to support each action under this Contract in a manner allowing it to be readily located. And the Contractor will keep all Project-related records and documents at its principal place of business or at its office where the work was performed.

The Contractor will keep a separate account for the Project (the "Project Account"). All payments made from the Project Account will be only for obligations incurred in the performance of this Contract and will be supported by contracts, invoices, vouchers, and any other data needed to audit and verify the payments. All payments from the Project Account will be for obligations incurred only after the effective date of this Contract unless the State has given specific written authorization for making prior payments from the Project Account.

Audits. During the term of this Contract and for three (3) years after the payment of the Contractor's Fee, on reasonable notice and during customary business hours, the State may audit the Contractor's records and other materials that relate to the Project. This audit right will also apply to the State's duly authorized representatives and any person or organization providing financial support for the Project.

Unless it is impracticable to do so, all records related to this Contract must be kept in a single location, either at the Contractor's principle place of business or its place of business where the work was done. If this is not practical, the Contractor will assume the cost of collecting, organizing, and relocating the records and any technology needed to access the records to the Contractor's office nearest Columbus whenever the State or anyone else with audit rights requests access to the Contractor's Project records. The Contractor will do so with all due speed, not to exceed five (5) business days.

If any audit reveals any material deviation from the Project's specifications, any misrepresentation, or any overcharge to the State, the State will be entitled to recover damages, as well as the cost of the audit.

For each subcontract in excess of \$25,000.00, the Contractor will require its subcontractors to agree to the requirements of this section and of the record-keeping section. Subcontracts with smaller amounts involved need not meet this requirement. The Contractor may not artificially break up contracts with its subcontractors to take advantage of this exclusion.

Insurance. In conjunction herewith, Contractor agrees, at its own cost, to procure and continue in force at all times that this contract is in effect, in its name, general liability insurance against any and all claims for injuries to persons or damage to property occurring or arising out of Contractor's obligations set forth herein. Such insurance shall at all times be in an amount not less than Five Hundred Thousand Dollars (\$500,000.00) on account of bodily injuries or death of one (1) person, and One Million Dollars (\$1,000,000.00) on account of bodily injuries or death of more than one (1) person as a result of any one (1) accident or disaster, and Two Hundred Fifty Thousand Dollars (\$250,000.00) for property damage in any one (1) accident. Such insurance shall be written by a company or companies authorized to engage in the business of general liability insurance in the state where the policy is issued with an A.M. Best rating of at least "A" or be otherwise approved in writing by Agency. A certificate reflecting the continuing coverage of all such policies procured by the Contractor in compliance herewith shall be delivered to Agency at least thirty (30) days prior to the time such insurance is required to be carried by the Contractor, and thereafter at least thirty (30) days prior to the expiration of any policies. Such insurance shall name Agency and the state of Ohio as additional insureds. Such policies shall bear an endorsement stating that the insurer agrees to notify Agency not less than thirty (30) days in advance of any proposed modification or cancellation of any such policy.

State Personnel. During the term of this Contract and for one (1) year after completion of the Project, the Contractor will not hire or otherwise contract for the services of any state employee involved with the Project.

Replacement Personnel. If the RFP contains the names of specific people who will work on the Project, then the quality and professional credentials of those people were material factors in the State's decision to enter into this Contract. Therefore, the Contractor will use all commercially reasonable efforts to ensure the continued availability of those people. Also, the Contractor will not remove those people from the Project without the prior, written consent of the State, except as provided below.

The Contractor may remove a person listed in the RFP from the Project if doing so is necessary for legal or disciplinary reasons. The Contractor must make a reasonable effort to give the State 30 calendar days' prior, written notice of the removal.

The Contractor must have qualified replacement people available to replace any people listed by name in the RFP. When the removal of a listed person is permitted under this Section, or if a person becomes unavailable, the Contractor will submit the resumes for two (2) replacement people for each person removed or who otherwise becomes unavailable. The Contractor will submit the two (2) resumes, along with such other information as the State may reasonably request, within five (5) business days after the decision to remove a person is made or the unavailability of a listed person becomes known to the Contractor.

The State will select one of the two proposed replacements or will reject both of them within ten business days after the Contractor has submitted the proposed replacements to the State. The State may reject the proposed replacements for any legal reason(s). Should the State reject both replacement candidates due to their failure to meet the minimum qualifications identified in the RFP, or should the Contractor fail to provide the notice required under this Section or fail to provide two qualified replacement candidates for each removed or unavailable person, the Contractor will be in default and the cure period for default specified elsewhere in this Contract will not apply. In the event of such a default, the State will have the right to terminate this Contract and to have the damages specified elsewhere in this Contract for termination due to default.

The State may determine that proposed replacement candidates meet the minimum qualifications of this Contract and still substantially reduce the value the State perceived it would receive through the work of the original individual(s) the Contractor proposed and on whose credentials the State decided to enter into this Contract. Therefore, the State will have the right to reject any candidate that the State determines will provide it with diminished value.

Should the State reject both proposed candidates for any legal reason other than their failure to meet the minimum qualifications identified in the RFP, then such rejection may be deemed a termination for convenience.

The State has an interest in providing a healthy and safe environment for its employees and guests at its facilities. The State also has an interest in ensuring, and right to ensure, that its operations are carried out in an efficient,

professional, legal, and secure manner. The State, therefore, will have the right to require the Contractor to remove any individual working on the Project if the State determines that any such individual has or may interfere with the State's interests identified above. In such a case, the request for removal will be treated as a case in which an individual providing services under this Contract has become unavailable, and the Contractor will follow the procedures identified above for replacing unavailable people. This provision applies to people engaged by the Contractor's subcontractors if they are listed as key people on the RFP.

Suspension and Termination. The State may terminate this Contract if the Contractor defaults in meeting its obligations under this Contract and fails to cure its default within the time allowed by this Contract, or if a petition in bankruptcy (or similar proceeding) has been filed by or against the Contractor. The State may also terminate this Contract if the Contractor violates any law or regulation in doing the Project, or if it appears to the State that the Contractor's performance is substantially endangered through no fault of the State. In any such case, the termination will be for cause, and the State's rights and remedies will be those identified below for termination for cause.

On written notice, the Contractor will have 30 calendar days to cure any breach of its obligations under this Contract, provided the breach is curable. If the Contractor fails to cure the breach within 30 calendar days after written notice or if the breach is not one that is curable, the State will have the right to terminate this Contract. The State may also terminate this Contract in the case of breaches that are cured within 30 calendar days but are persistent. "Persistent" in this context means that the State has notified the Contractor in writing of the Contractor's failure to meet any of its obligations three (3) times. After the third notice, the State may terminate this Contract without a cure period if the Contractor again fails to meet any obligation. The three (3) notices do not have to relate to the same obligation or type of failure. Some provisions of this Contract may provide for a shorter cure period than 30 calendar days or for no cure period at all. Those provisions will prevail over this one. If a particular section does not state what the cure period will be, this provision will govern.

The State may also terminate this Contract for its convenience and without cause or if the Ohio General Assembly fails to appropriate funds for any part of the Project. If a third party is providing funding for the Project, the State may also terminate this Contract should that third party fail to release any Project funds. The RFP identifies any third party source of funds for the Project.

The notice of termination, whether for cause or without cause, will be effective as soon as the Contractor receives it. Upon receipt of the notice of termination, the Contractor will immediately cease all work on the Project and take all steps necessary to minimize any costs the Contractor will incur related to this Contract. The Contractor will also immediately prepare a report and deliver it to the State. The report must be all-inclusive; no additional information will be accepted following the initial submission. The report must detail the work completed at the date of termination, the percentage of the Project's completion, any costs incurred in doing the Project to that date and any Deliverables completed or partially completed but not delivered to the State at the time of termination. The Contractor will also deliver all the completed and partially completed Deliverables to the State with its report. If delivery in that manner would not be in the State's interest, then the Contractor will propose a suitable alternative form of delivery.

If the State terminates this Contract for cause, it will be entitled to cover for the Project by using another Contractor on such commercially reasonable terms as it and the covering contractor may agree. The Contractor will be liable to the State for all costs related to covering for the Project to the extent that such costs, when combined with payments already made to the Contractor for the Project before termination, exceed the costs that the State would have incurred under this Contract. The Contractor will also be liable for any other direct damages resulting from its breach of this Contract or other action leading to termination for cause.

If the termination is for the convenience of the State, the Contractor will be entitled to compensation for any work on the Project that the Contractor has performed before the termination. Such compensation will be the Contractor's exclusive remedy in the case of termination for convenience and will be available to the Contractor only once the Contractor has submitted a proper invoice for such, with the invoice reflecting the amount determined to be owing to the Contractor by the State. The State will make that determination based on the lesser of the percentage of the Project completed or the hours of work performed in relation to the estimated total hours required to perform the entire applicable unit(s) of Work.

The State will have the option of suspending rather than terminating the Project where the State believes that doing so would better serve its interests. In the event of a suspension for the convenience of the State, the Contractor will be entitled to receive payment for the work performed before the suspension. In the case of suspension of the Project rather than termination for cause, the Contractor will not be entitled to any compensation for any work

performed. If the State reinstates the Project after suspension for cause, rather than terminating this Contract after the suspension, the Contractor may be entitled to compensation for work performed before the suspension, less any damage to the State resulting from the Contractor's breach of this Contract or other fault. Any amount due for work before or after the suspension for cause will be offset by any damage to the State from the default or other event giving rise to the suspension.

In the case of a suspension for the State's convenience, the amount of compensation due to the Contractor for work performed before the suspension will be determined in the same manner as provided in this section for termination for the State's convenience. The Contractor will not be entitled to compensation for any other costs associated with a suspension for the State's convenience. No payment under this provision will be made to the Contractor until the Contractor submits a proper invoice.

Any notice of suspension, whether with or without cause, will be effective immediately on the Contractor's receipt of the notice. The Contractor will prepare a report concerning the Project just as is required by this Section in the case of termination. After suspension of the Project, the Contractor will perform no work without the consent of the State and will resume work only on written notice from the State to do so. In any case of suspension, the State retains its right to terminate this Contract rather than to continue the suspension or resume the Project. If the suspension is for the convenience of the State, then termination of the Contract will be a termination for convenience. If the suspension is with cause, the termination will also be for cause.

The State will not suspend the Project for its convenience more than once during the term of this Contract, and any suspension for the State's convenience will not continue for more than 30 calendar days. If the Contractor does not receive notice to resume or terminate the Project within the 30-day period, then this Contract will terminate automatically for the State's convenience at the end of the 30 calendar day period.

Any default by the Contractor or one of its subcontractors will be treated as a default by the Contractor and all of its subcontractors. The Contractor will be solely responsible for satisfying any claims of its subcontractors for any suspension or termination and will indemnify the State for any liability to them. Each subcontractor will hold the State harmless for any damage caused to them from a suspension or termination. They will look solely to the Contractor for any compensation to which they may be entitled.

The Contractor may, at its discretion, request termination with a minimum 60 day notice in writing. The State will review the request and respond in writing to the Contractor with its findings.

Representatives. The State's representative under this Contract will be the person identified on the RFP or a subsequent notice to the Contractor as the "Agency Project Representative". The Agency Project Representative will review all reports made in the performance of the Project by the Contractor, will conduct all liaison with the Contractor, and will accept or reject the Deliverables and the complete Project. The Agency Project Representative may assign to a manager, responsibilities for individual aspects of the Project to act as the Agency Project Representative for those individual portions of the Project.

The Contractor's Project Leader under this Contract will be the person identified on the RFP as the "Project Manager." The Project Manager will conduct all liaison with the State under this Contract. Either party, upon written notice to the other party, may designate another representative. The Project Manager may not be replaced without the approval of the State if that individual is identified in the RFP as a key individual on the Project.

Work Responsibilities. The State will be responsible for providing only those things expressly identified, if any, in the RFP. If the State has agreed to provide facilities or equipment, the Contractor, by signing this Contract, warrants that the Contractor has either inspected the facilities and/or equipment or has voluntarily waived an inspection and will work with the equipment and/or facilities on an "as is" basis.

The Contractor will assume the lead in the areas of management, design, and development of the Project. The Contractor will coordinate the successful execution of the Project and direct all Project activities on a day-to-day basis, with the advice and consent of the Agency Project Representative. The Contractor will be responsible for all communications regarding the progress of the Project and will discuss with the Agency Project Representative any issues, recommendations, and decisions related to the Project.

If the Project, or parts of it, requires installation on the State's property, the State will provide the Contractor with reasonable access to the installation site for the installation and any site preparation that is needed. After the installation is complete, the Contractor will complete an installation letter and secure the signature of Agency Project Representative certifying that installation is complete and the Project, or applicable portion of it, is

operational. The letter will describe the nature, date, and location of the installation, as well as the date it was certified as installed and operational by the Agency Project Representative.

Unless otherwise provided in the RFP, the Contractor will be responsible for obtaining all official permits, approvals, licenses, certifications, and similar authorizations required by any local, state, or Federal agency for the Project and maintaining them throughout the duration of this Contract.

Changes. The State may make reasonable changes, within the general scope of the Project. The State will do so by issuing an Amendment under this Contract describing the nature of the change ("Change Order"). Additionally, if the State provides directions or makes requests of the Contractor without a change order, and the Contractor reasonably believes the directions or requests are outside the specifications for the Project, the Contractor will have the right to request a Change Order from the State. Scope of Work changes will be managed as follows: pricing will be provided from the Contractor to the State. The State will execute a Change Order once it and the Contractor have agreed on the description of and specifications for the change as well as any equitable adjustments that need to be made in the Contractor's Fee or the performance schedule for the Work. Within five (5) business days after receiving the Change Order, the Contractor will sign it to signify agreement with it.

If a change causes an increase in the cost of, or the time required for, the performance of the Project, the Contractor will notify the State in writing and request an equitable adjustment in the Contractor's Fee, the delivery schedule, or both before the Contractor signs the Change Order. If the Contractor claims an adjustment under this section in connection with a change to the Project not described in a written Change Order, the Contractor must notify the State of the claim within five (5) business days after the Contractor is notified of the change and before work on the change begins. Otherwise, the Contractor will have waived the claim. In no event will the State be responsible for any increase in the Fee or revision in any delivery schedule unless the relevant change was specifically ordered in writing by the State and the Contractor has complied with the requirements of this section. Provided the State has complied with the procedure for Change Orders in this section, nothing in this clause will excuse the Contractor from proceeding with performance of the Project, as changed.

Where an equitable adjustment to the Contractor's Fee is appropriate, the State and the Contractor may agree upon such an adjustment. If the State and the Contractor are unable to agree, and the Contractor seeks an equitable adjustment in its Fee, either party may submit the dispute to the senior management of the Contractor and the State for resolution. If, within 30 calendar days following referral to senior management, the claim or dispute has not been resolved, only then will it be submitted to non-binding mediation. A claim or dispute must be submitted to non-binding mediation prior to the initiation of any formal legal process. Costs of mediation will be shared equally. Both parties further agree to use best efforts to resolve any claims or disputes arising during the performance of this Contract within 30 calendar days following the initiation of the dispute process. The resolved amount will be the not-to-exceed amount of the Change Order. If the change involves removing a requirement from the Project or replacing one part of the Project with the change, the State will get a credit for the work no longer required under the original scope of the Project. The credit will be calculated in the same manner as the Contractor's Fee for the change, and the not-to-exceed amount will be reduced by this credit.

The Contractor will be responsible for coordinating changes with its subcontractors and adjusting their compensation and performance schedule. The State will not pay any subcontractor for the Change Order. If a subcontractor will perform any work under a Change Order, that work must be included in the Contractor's not-to-exceed amount and calculated in the same manner as the Contractor's equitable adjustment for the portion of the work the Contractor will perform. The Contractor will not receive an overhead percentage for work a subcontractor will do under a Change Order.

Excusable Delay. Neither party will be liable for any delay in its performance that arises from causes beyond its control and without its negligence or fault. The delayed party will notify the other promptly of any material delay in performance and will specify in writing the proposed revised performance date as soon as practicable after notice of delay. In the event of any such excusable delay, the date of performance or of delivery will be extended for a period equal to the time lost by reason of the excusable delay. The delayed party must also describe the cause of the delay and what steps it is taking to remove the cause. The delayed party may not rely on a claim of excusable delay to avoid liability for a delay if the delayed party has not taken commercially reasonable steps to mitigate or avoid the delay. Things that are controllable by the Contractor's subcontractors will be considered controllable by the Contractor, except for third-party manufacturers supplying commercial items and over whom Contractor has no legal control.

Independent Status of the Contractor. The parties will be acting as independent contractors. The partners, employees, officers, and agents ("Personnel") of one party, in the performance of this Contract, will act only in the

capacity of representatives of that party and not as Personnel of the other party and will not be deemed for any purpose to be Personnel of the other. Each party assumes full responsibility for the actions of its Personnel while they are performing services pursuant to this Contract and will be solely responsible for paying its Personnel (including withholding of and/or paying income taxes and social security, workers' compensation, disability benefits and the like). Neither party will commit, nor be authorized to commit, the other party in any manner. The Contractor's subcontractors will be considered the agents of the Contractor for purposes of this Contract.

ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART THREE: OWNERSHIP & HANDLING OF INTELLECTUAL PROPERTY & CONFIDENTIAL INFORMATION

Confidentiality. The State may disclose to the Contractor written material or oral or other information that the State treats as confidential ("Confidential Information"). Title to the Confidential Information and all related materials and documentation the State delivers to the Contractor will remain with the State. The Contractor must treat such Confidential Information as secret if it is so marked, otherwise identified as such, or when, by its very nature, it deals with matters that, if generally known, would be damaging to the best interests of the public, other contractors or potential contractors with the State, or individuals or organizations about whom the State keeps information. By way of example, information should be treated as confidential if it includes any proprietary documentation, materials, flow charts, codes, software, computer instructions, techniques, models, information, diagrams, know-how, trade secrets, data, business records, or marketing information. By way of further example, the Contractor also must treat as confidential materials such as police and investigative records, files containing personal information about individuals or employees of the State, such as personnel records, tax records, and so on, court and administrative records related to pending actions, any material to which an attorney-client, physician-patient, or similar privilege may apply, and any documents or records expressly excluded by Ohio law from public records disclosure requirements.

The Contractor agrees not to disclose any Confidential Information to third parties and to use it solely to do the Project. The Contractor will restrict circulation of Confidential Information within its organization and then only to people in the Contractor's organization that have a need to know the Confidential Information to do the Project. The Contractor will be liable for the disclosure of such information whether the disclosure is intentional, negligent, or accidental, unless otherwise provided below.

The Contractor will not be liable for any unintentional disclosure of Confidential Information that results despite the Contractor's exercise of at least the same degree of care as it normally takes to safeguard its own secrets, except when the Contractor's procedures are not reasonable given the nature of the Confidential Information or when the disclosure nevertheless results in liability to the State.

The Contractor will not incorporate any portion of any Confidential Information into any work or product, other than a Deliverable, and will have no proprietary interest in any of the Confidential Information. Furthermore, the Contractor will cause all of its employees who have access to any Confidential Information to execute a confidentiality agreement incorporating the obligations in this section.

The Contractor's obligation to maintain the confidentiality of the Confidential Information will not apply where such: (1) was already in the Contractor's possession before disclosure by the State, and such was received by the Contractor without obligation of confidence; (2) is independently developed by the Contractor; (3) is or becomes publicly available without breach of this Contract; (4) is rightfully received by the Contractor from a third party without an obligation of confidence; (5) is disclosed by the Contractor with the written consent of the State; or (6) is released in accordance with a valid order of a court or governmental agency, provided that the Contractor (a) notifies the State of such order immediately upon receipt of the order and (b) makes a reasonable effort to obtain a protective order from the issuing court or agency limiting disclosure and use of the Confidential Information solely for the purposes intended to be served by the original order of production. The Contractor will return all originals of any Confidential Information and destroy any copies it has made on termination or expiration of this Contract.

The Contractor may disclose Confidential Information to its subcontractors on a need-to-know basis, but they will be obligated to the requirements of this section.

Ownership of Deliverables. All deliverables produced by the Contractor and covered by this Contract, including any software modifications, and documentation, shall be owned by the State, with all rights, title, and interest in all intellectual property that come into existence through the Contractor's custom work being assigned to the State. Additionally, the Contractor waives any author rights and similar retained interests in custom-developed material. The Contractor will provide the State with all assistance reasonably needed to vest such rights of ownership in the State. The Contractor will retain ownership of all tools, methods, techniques, standards, and other development procedures, as well as generic and preexisting shells, subroutines and similar material incorporated in any custom Deliverable ("Pre-existing Materials") if the Contractor provides the non-exclusive license described in the next paragraph.

The Contractor may grant the State a worldwide, non-exclusive, royalty-free, perpetual license to use, modify, sell, and otherwise distribute all Pre-existing Materials that are incorporated in any custom-developed Deliverable rather

than grant the State ownership of the Pre-existing Materials provided however, that the State may distribute such Pre-existing materials to the extent required by governmental funding mandates. The Contractor will not include in any custom Deliverable any intellectual property unless such has been created under this Contract or qualifies as Pre-existing Material. If the Contractor wants to incorporate any Pre-existing Materials in a custom Deliverable, the Contractor must first disclose this and seek the State's approval for doing so in advance. On the request of the Contractor, the State will incorporate any proprietary notice the Contractor may reasonably want for any Pre-existing Materials included in a custom Deliverable in all copies the State makes of that Deliverable.

Subject to the limitations and obligations of the State with respect to Pre-existing Materials, the State may make all custom Deliverables available to the general public without any proprietary notices of any kind.

License in Commercial Material. As used in this section, "Commercial Material" means anything that has been developed at private expense by the Contractor or a third party, commercially available in the marketplace, subject to intellectual property rights, and readily copied through duplication on magnetic media, paper, or other media. Examples include written reports, books, pictures, videos, movies, computer programs, and computer source code and documentation.

Any Commercial Material that the Contractor intends to deliver as a Deliverable must have the scope of the license granted in such material disclosed in the RFP or as an attachment referenced in the RFP, if that scope of license is different from the scope of license contained in this section for Commercial Materials.

Except for Commercial Material that is software ("Commercial Software"), if the Commercial Material is copyrighted and published material, then the State will have the rights permitted under the Federal copyright laws for each copy of the Commercial Material delivered to it by the Contractor.

Except for Commercial Software, if the Commercial Material is patented, then the State will have the rights permitted under the Federal patent laws for each copy of the Commercial Material delivered to it by the Contractor.

Except for Commercial Software, if the Commercial Material consists of trade secrets, then the State will treat the material as confidential. In this regard, the State will assume all obligations with respect to the Commercial Material that the Contractor assumes under the Confidentiality section of this Contract with respect to State secrets. Otherwise, the State will have the same rights and duties permitted under the Federal copyright laws for each copy of the Commercial Material delivered to it by the Contractor, whether or not the material is copyrighted when delivered to the State.

For Commercial Software, the State will have the rights in items (1) through (8) of this section with respect to the software. The State will not use any Commercial Software except as provided in items (1) through (8) of this section or as expressly stated otherwise in this Contract. The Commercial Software may be:

- (1) Used or copied for use in or with the computer or computers for which it was acquired, including use at any State installation to which such computer or computers may be transferred;
- (2) Used or copied for use in or with a backup computer for disaster recovery and disaster recovery testing purposes or if any computer for which it was acquired is inoperative;
- (3) Reproduced for safekeeping (archives) or backup purposes;
- (4) Modified, adapted, or combined with other computer software, but the modified, combined, or adapted portions of the derivative software incorporating any of the Commercial Software will be subject to same restrictions set forth in this Contract;
- (5) Disclosed to and reproduced for use on behalf of the State by support service contractors or their subcontractors, subject to the same restrictions set forth in this Contract; and
- (6) Used or copied for use in or transferred to a replacement computer.

However:

- (7) If the Commercial Software delivered under this Contract is published and copyrighted, it is licensed to the State without disclosure prohibitions; but
- (8) If any Commercial Software is delivered under this Contract with the copyright notice in 17 U.S.C. 401, it will be presumed to be published, copyrighted, and licensed to the State without disclosure restrictions, unless a statement substantially as follows accompanies such copyright notice: "Unpublished -- rights reserved under the copyright laws of the United States." The State will treat such Commercial Software as Confidential Information to the extent that such is actually the case.

ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART FOUR: REPRESENTATIONS, WARRANTIES AND LIABILITIES

General Warranties. The Contractor warrants that the recommendations, guidance, and performance of the Contractor under this Contract will: (1) be in accordance with sound professional standards and the requirements of this Contract and without any material defects; (2) unless otherwise provided in the RFP, be the work solely of the Contractor; and (3) no Deliverable will infringe on the intellectual property rights of any third party.

Additionally, with respect to the Contractor's activities under this Contract, the Contractor warrants that: (1) the Contractor has the right to enter into this Contract; (2) the Contractor has not entered into any other contracts or employment relationships that restrict the Contractor's ability to perform the contemplated services; (3) the Contractor will observe and abide by all applicable laws and regulations, including those of the State regarding conduct on any premises under the State's control; (4) the Contractor has good and marketable title to any goods delivered under this Contract and in which title passes to the State; (5) all hardware, software, firmware, and similar devices and materials provided under this Contract will be designed to operate without regard to the turning of a century and process dates in a manner that takes into account dates occurring before and after the turning of a century; and (6) the Contractor has the right and ability to grant the license granted in any Deliverable in which title does not pass to the State.

The warranty regarding material defects is a 1-year warranty. All other warranties will be continuing warranties. If any portion of the Project fails to comply with these warranties, and the Contractor is so notified in writing, the Contractor will correct such failure with all due speed or will refund the amount of the compensation paid for such portion of the Project. The Contractor will also indemnify the State for any direct damages and claims by third parties based on a breach of these warranties. This obligation of indemnification will not apply where the State has modified or misused the Deliverable and the claim is based on the modification or misuse. The State agrees to give the Contractor notice of any such claim as soon as reasonably practicable. If a successful claim of infringement is made, or if the Contractor reasonably believes that an infringing claim that is pending may actually succeed, the Contractor will do one (1) of the following four (4) things: (1) modify the Deliverable so that it is no longer infringing; (2) replace the Deliverable with an equivalent or better item; (3) acquire the right for the State to use the infringing Deliverable as it was intended for the State to use under this Contract; or (4) remove the Deliverable and refund the amount the State paid for the Deliverable and the amount of any other Deliverable or item that requires the availability of the infringing Deliverable for it to be useful to the State.

Software Warranty. If this Contract involves software as a Deliverable, then, on acceptance and for 12 months after the date of acceptance of any Deliverable that includes software, the Contractor warrants as to all software developed under this Contract that: (a) the software will operate on the computer(s) for which the software is intended in the manner described in the relevant software documentation, the Contractor's Proposal, and the RFP; (b) the software will be free of any material defects; (c) the Contractor will deliver and maintain relevant and complete software documentation, commentary, and source code; and (d) the source code language used to code the software is readily available in the commercial market, widely used and accepted for the type of programming involved, and support programming in the language is reasonably available in the open market; and (e) the software and all maintenance will be provided in a professional, timely, and efficient manner.

For Commercial Software licensed from a third party that is incorporated in a Deliverable, the Contractor represents and warrants that it has done 1 of the following 3 things: (a) obtained the right from the third-party licensor to commit to the warranties and maintenance obligations in this Section; (b) obtained a binding commitment from the licensor to make those warranties and maintenance obligations directly to the State; or (c) fully disclosed in the RFP any discrepancies between the requirements of this section and the commitment the third-party licensor has made.

In addition, for Commercial Software that is incorporated in a Deliverable, the Contractor will: (a) maintain or cause the third-party licensor to maintain the Commercial Software so that it operates in the manner described in the RFP (or any attachment referenced in the RFP) and relevant Commercial Software documentation; (b) supply technical bulletins and updated user guides; (c) supply the State with updates, improvements, enhancements, and modifications to the Commercial Software and documentation and, if available, the commentary and the source code; (d) correct or replace the Commercial Software and/or remedy any material programming error that is attributable to the Contractor or the third-party licensee; (e) maintain or cause the third-party licensor to maintain the Commercial Software and documentation to reflect changes in the subject matter the Commercial Software deals with; (f) maintain or obtained a commitment from the third-party licensor to maintain the Commercial Software so that it will properly operate in conjunction with in the operating environment in which it is designed to operate.

For purposes of the warranties and the delivery requirements in this Contract, software documentation means well written, readily understood, clear, and concise instructions for the software's users as well as a system administrator. The software documentation will provide the users of the software with meaningful instructions on how to take full advantage of all of the capabilities designed for end users. It also means installation and system administration documentation for a system administrator to allow proper control, configuration, and management of the software. Source code means the uncompiled operating instructions for the entire System. The Contractor will not be obligated to provide source code for Commercial Software unless it is readily available from the licensor. The source code will be provided in the language in which it was written and will include commentary that will allow a competent programmer proficient in the source language to readily interpret the source code and understand the purpose of all routines and subroutines contained within the source code.

Equipment Warranty. If any electrical equipment, mechanical device, computer hardware, telecommunications hardware, or other type of physical machinery ("Equipment") will be a part of any Deliverable, the following warranties apply. The Contractor warrants that the Equipment fully complies with all government environmental and safety standards applicable to the Equipment. The Contractor also warrants for one (1) year from the acceptance date of the Equipment that the Equipment will perform substantially in accordance with specifications described in the RFP, the user manuals, technical materials, and related writings published by the manufacturer for the Equipment. The foregoing warranties will not apply to Equipment that is modified or damaged after title passes to the State.

The Contractor will notify the State in writing immediately upon the discovery of any breach of the warranties given above.

The Contractor's will do the following if any Equipment does not meet the above warranties:

- (a) Cause the Equipment to perform as required, or, if that is not commercially practicable, then;
- (b) Grant the State a refund equal to the amount the State paid for the Equipment or, if such has not been individually priced, the manufacturer's suggested retail price for the Equipment.

Except where the Contractor's breach of a warranty makes it not possible for the State to do so, the State will return the affected Equipment to the Contractor in the case of a refund under the previous paragraph.

General Exclusion of Warranties. The State makes no warranties, express or implied, other than those express warranties contained in this contract. The contractor also makes no warranties of merchantability or fitness for a particular purpose except as follows: If the Contractor has been engaged under the scope of work in the RFP to design something to meet a particular need for the State, then the Contractor does warrant that the contractor's work will meet the stated purpose for that work.

Indemnity for Property Damage and Bodily Injury. The Contractor will indemnify the State for all liability and expense resulting from bodily injury to any person (including injury resulting in death) and damage to property arising out of the performance of this Contract, providing such bodily injury or property damage is due to the fault of the Contractor, its employees, agents, or subcontractors.

Limitation of Liability. NOTWITHSTANDING ANY LIMITATION PROVISIONS CONTAINED IN THE DOCUMENTS AND MATERIALS INCORPORATED BY REFERENCE INTO THIS AGREEMENT, THE PARTIES AGREE AS FOLLOWS:

1. NEITHER PARTY WILL BE LIABLE FOR ANY INDIRECT, INCIDENTAL OR CONSEQUENTIAL LOSS OR DAMAGE OF ANY KIND, INCLUDING BUT NOT LIMITED TO LOST PROFITS, EVEN IF THE PARTIES HAVE BEEN ADVISED, KNEW OR SHOULD HAVE KNOWN OF THE POSSIBILITY OF SUCH DAMAGES.
2. THE CONTRACTOR FURTHER AGREES THAT THE CONTRACTOR SHALL BE LIABLE FOR ALL DIRECT DAMAGES DUE TO THE FAULT OR NEGLIGENCE OF THE CONTRACTOR.

ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART FIVE: ACCEPTANCE AND MAINTENANCE

Standards of Performance and Acceptance. If the RFP does not provide otherwise, the acceptance procedure will be an informal review by the Agency Project Representative to ensure that each Deliverable and the Project as a whole comply with the requirements of this Contract. The Agency Project Representative will have up to 30 calendar days to do this. No formal letter of acceptance will be issued, and passage of the 30 calendar days will imply acceptance, though the State will issue a notice of noncompliance if a Deliverable or the Project as a whole does not meet the requirements of this Contract. If the Agency Project Representative issues a letter of noncompliance, then the Contractor will have 30 calendar days to correct the problems listed in the noncompliance letter. If the Contractor fails to do so, the Contractor will be in default without a cure period. If the Agency Project Representative has issued a noncompliance letter, the Deliverables or the Project as a whole will not be accepted until the Agency Project Representative issues a letter of acceptance indicating that each problem noted in the noncompliance letter has been cured. If the problems have been fixed during the 30 day period, the Agency Project Representative will issue the acceptance letter within 15 calendar days.

If the Project fails to meet the standard of performance after 90 calendar days from the start of the performance period, the Contractor will be in default and will not have a cure period. In addition to all other remedies the State may have under this Contract, the State will have the right to request correction or replacement of the relevant portion of the Project.

Passage of Title. Title to any Deliverable will pass to the State only on acceptance of the Deliverable. All risk of loss, regardless of the cause, will remain with the Contractor until title to the Deliverable passes to the State.

ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART SIX: CONSTRUCTION

Entire Document. This Contract is the entire agreement between the parties with respect to the subject matter and supersedes any previous statements or agreements, whether oral or written.

Binding Effect. This Contract will be binding upon and inure to the benefit of the respective successors and assigns of the State and the Contractor.

Addenda – Waiver. No change to any provision of this Contract will be effective unless it is in writing and signed by both parties. The failure of either party at any time to demand strict performance by the other party of any of the terms of this Contract will not be a waiver of those terms. Waivers must be in writing to be effective. And either party may at any later time demand strict performance.

Severability. If any provision of this Contract is held by a court of competent jurisdiction to be contrary to law, the remaining provisions of this Contract will remain in full force and effect to the extent that such does not create an absurdity.

Construction. This Contract will be construed in accordance with the plain meaning of its language and neither for nor against the drafting party.

Headings. The headings used herein are for the sole sake of convenience and will not be used to interpret any section.

Notices. For any notice under this Contract to be effective it must be made in writing and sent to the address of the appropriate contact provided elsewhere in the Contract, unless such party has notified the other party, in accordance with the provisions of this section, of a new mailing address. This notice requirement will not apply to any notices that this Contract expressly authorized to be made orally.

Continuing Obligations. The terms of this Contract will survive the termination or expiration of the time for completion of Project and the time for meeting any final payment of compensation, except where such creates an absurdity.

ATTACHMENT THREE: GENERAL TERMS AND CONDITIONS
PART SEVEN: LAW & COURTS

Compliance with Law. The Contractor agrees to comply with all applicable federal, state, and local laws in the conduct of the Work.

Drug-Free Workplace. The Contractor will comply with all applicable state and federal laws regarding keeping a drug-free workplace. The Contractor will make a good faith effort to ensure that all the Contractor employees, while working on State property, will not have or be under the influence of illegal drugs or alcohol or abuse prescription drugs in any way.

Conflicts of Interest. No Personnel of the Contractor may voluntarily acquire any personal interest that conflicts with their responsibilities under this Contract. Additionally, the Contractor will not knowingly permit any public official or public employee who has any responsibilities related to this Contract or the Project to acquire an interest in anything or any entity under the Contractor's control if such an interest would conflict with that official's or employee's duties. The Contractor will disclose to the State knowledge of any such person who acquires an incompatible or conflicting personal interest related to this Contract. And the Contractor will take steps to ensure that such a person does not participate in any action affecting the Work under this Contract. But this will not apply when the State has determined, in light of the personal interest disclosed, that person's participation in any such action would not be contrary to the public interest.

Ohio Ethics and Elections Law.

A. Ethics Law

Contractor hereby certifies that all applicable parties listed in Division (I)(3) or (J)(3) of O.R.C. Section 3517.13 are in full compliance with Divisions (I)(1) and (J)(1) of O.R.C. Section 3517.13.

In accordance with Executive Order 2007-01S, Contractor, by signature on this document, certifies: (1) it has reviewed and understands Executive Order 2007-01S, (2) has reviewed and understands the Ohio ethics and conflict of interest laws, and (3) will take no action inconsistent with those laws and this order. The Contractor understands that failure to comply with Executive Order 2007-01S is, in itself, grounds for termination of this contract and may result in the loss of other contracts with the State of Ohio.

Contractor certifies that it is currently in compliance and will continue to adhere to the requirements of Ohio ethics laws.

B. Political Contributions

The Contractor affirms in its cover letter that, as applicable to the Contractor, all personal and business associates are in compliance with Chapter 3517 of the Revised Code regarding limitations on political contributions and will remain in compliance for the duration of the Contract and with all applicable provisions that extend beyond the expiration of the Contract.

Equal Employment Opportunity. During the Project, the Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, disability, age, or Vietnam-era veteran status ("Protected Status"). The Contractor will ensure that applicants for employment and employees are treated without regard to their Protected Status.

The Contractor agrees to post notices with the provisions of this section in conspicuous places that are available to employees and applicants and to state in all solicitations and advertisements for employees that it is an equal opportunity employer.

Injunctive Relief. Nothing in this Contract is intended to limit the State's right to injunctive relief if such is necessary to protect its interests or to keep it whole.

Assignment. The Contractor may not assign this Contract or any of its rights or obligations under this Contract without the prior, written consent of the State.

Governing Law. This Contract will be governed by the laws of Ohio, and venue for any disputes will lie exclusively with the appropriate court in Franklin County, OH.

**ATTACHMENT FOUR
CONTRACT**

THIS CONTRACT, which results from CSP# CSP903508, entitled Actuarial/Economic Modeling of Health Coverage Reforms, is between the state of Ohio, through the Department of Administrative Services, Office of Procurement Services, on behalf of the Ohio Department of Insurance (the "State") and

(the "Contractor").

If this RFP results in a contract award, the Contract will consist of this RFP including all attachments, written addenda to this RFP, the Contractor's Proposal, and written, authorized addenda to the Contractor's Proposal. It will also include any materials incorporated by reference in the above documents and any purchase orders and change orders issued under the contract. The form of the Contract is this one page attachment to the RFP, which incorporates by reference all the documents identified above. The general terms and conditions for the Contract are contained in another attachment to the RFP. If there are conflicting provisions between the documents that make up the Contract, the order of precedence for the documents is as follows:

1. This RFP, as amended;
2. The documents and materials incorporated by reference in the RFP;
3. The Contractor's Proposal, as amended, clarified, and accepted by the State; and
4. The documents and materials incorporated by reference in the Contractor's Proposal.

Notwithstanding the order listed above, change orders and amendments issued after the Contract is executed may expressly change the provisions of the Contract. If they do so expressly, then the most recent of them will take precedence over anything else that is part of the Contract.

This Contract has an effective date of the later of September 14, 2007, or the occurrence of all conditions precedent specified in the General Terms and Conditions.

IN WITNESS WHEREOF, the parties have executed this Contract as of the dates below.

(Contractor)

Department of Administrative Services
(State of Ohio Agency)

(Signature)

(Signature)

(Printed Name)

Hugh Quill
(Printed Name)

(Title)

Director, Department of Administrative Services
(Title)

(Date)

(Date)

**ATTACHMENT FIVE
OFFEROR PROFILE FORM**

Offeror's Legal Name:	Address:	
Phone Number:	Fax Number:	E-Mail Address:
Home Office Location:	Date Established:	Ownership:
Number of Employees:	Number of employees directly involved in tasks related to the Work:	Number of employees located in an Ohio branch:

If the Offeror's home office is located in a state other than Ohio, please indicate the number of employees located in an Ohio branch (if one exists). If none are in Ohio, then so state.

Additional background information:

**ATTACHMENT SIX
OFFEROR REFERENCES**

Three (3) professional references who have received services from the Offeror within the past five (5) years.

Company Name:	Contact Name:		
Address:	Phone Number:		
	E-Mail Address:		
Project Name:	Beginning Date of Project: (Month/Year)	of	Ending Date of Project: (Month/Year)
Description of related services provided, project size, complexity and the Offeror's role in this project.			

Company Name:	Contact Name:		
Address:	Phone Number:		
	E-Mail Address:		
Project Name:	Beginning Date of Project: (Month/Year)	of	Ending Date of Project: (Month/Year)
Description of related services provided, project size, complexity and the Offeror's role in this project.			

Company Name:	Contact Name:		
Address:	Phone Number:		
	E-Mail Address:		
Project Name:	Beginning Date of Project: (Month/Year)	of	Ending Date of Project: (Month/Year)
Description of related services provided, project size, complexity and the Offeror's role in this project.			

**ATTACHMENT SEVEN A
OFFEROR'S PROJECT LEADER CANDIDATE REFERENCES**

Candidate's Name: _____

Candidate's Proposed Position: _____

Three (3) professional references who have received services from the candidate in the past five (5) years.
May be copied as necessary for additional submissions.

Company Name:		Contact Name:	
Address:		Phone Number: E-mail:	
Project Name:		Beginning Date of Project: (Month/Year)	Ending Date of Project: (Month/Year)
Description of project size, complexity and the candidate's role in this project.			

Company Name:		Contact Name:	
Address:		Phone Number: E-mail:	
Project Name:		Beginning Date of Project: (Month/Year)	Ending Date of Project: (Month/Year)
Description of project size, complexity and the candidate's role in this project.			

Company Name:		Contact Name: E-mail:	
Address:		Phone Number:	
Project Name:		Beginning Date of Project: (Month/Year)	Ending Date of Project: (Month/Year)
Description of project size, complexity and the candidate's role in this project.			

**ATTACHMENT SEVEN B
OFFEROR'S PROJECT LEADER CANDIDATE INFORMATION, EDUCATION AND TRAINING**

Candidate's Name: _____

Education and Training: This section must be completed to list the education and training of the proposed candidate.

Name and Address	Months/Years	Degree/Major
College		
Technical School		
Licenses		
Certifications		

**ATTACHMENT SEVEN C
OFFEROR'S PROJECT LEADER CANDIDATE EXPERIENCE REQUIREMENT**

Candidate's Name: _____

Candidate's Proposed Position: _____

Client Company Name:		Client's Project Supervisor Contact Name:	
Address:		Phone Number:	
		E-Mail:	
Project Name:	Beginning Date of Project: (Month/Year)	of	Ending Date of Project: (Month/Year)
Description of the related services provided:			
Client Company Name:		Client's Project Supervisor Contact Name:	
Address:		Phone Number:	
		E-Mail:	
Project Name:	Beginning Date of Project: (Month/Year)	of	Ending Date of Project: (Month/Year)
Description of the related services provided:			
Client Company Name:		Client's Project Supervisor Contact Name:	
Address:		Phone Number:	
		E-Mail:	
Project Name:	Beginning Date of Project: (Month/Year)	of	Ending Date of Project: (Month/Year)
Description of the related services provided:			

**ATTACHMENT EIGHT
OFFEROR PERFORMANCE FORM**

The Offeror must provide the following information for this section for the past seven (7) years. Please indicate yes or no in each column.

Yes/No	Description
	The Offeror has had a contract terminated for default or cause. If so, the Offeror must submit full details, including the other party's name, address, and telephone number.
	The Offeror has been assessed any penalties in excess of ten thousand dollars (\$10,000.00), including liquidated damages, under any of its existing or past contracts with any organization (including any governmental entity). If so, the Offeror must provide complete details, including the name of the other organization, the reason for the penalty, and the penalty amount for each incident.
	The Offeror was the subject of any governmental action limiting the right of the Offeror to do business with that entity or any other governmental entity.
	Trading in the stock of the company has ever been suspended with the date(s) and explanation(s).
	The Offeror, any officer of the Offeror, or any owner of a twenty percent (20%) interest or greater in the Offeror has filed for bankruptcy, reorganization, a debt arrangement, moratorium, or any proceeding under any bankruptcy or insolvency law, or any dissolution or liquidation proceeding.
	The Offeror, any officer of the Offeror, or any owner with a twenty percent (20%) interest or greater in the Offeror has been convicted of a felony or is currently under indictment on any felony charge.

If the answer to any item above is affirmative, the Offeror must provide complete details about the matter. While an affirmative answer to any of these items will not automatically disqualify an Offeror from consideration, at the sole discretion of the State, such an answer and a review of the background details may result in a rejection of the Offeror's proposal. The State will make this decision based on its determination of the seriousness of the matter, the matter's possible impact on the Offeror's performance on the project, and the best interests of the State.

**ATTACHMENT NINE
W-9 FORM AND NEW VENDOR INFORMATION FORM**

Form W-9 (Rev. November 2005) Department of the Treasury Internal Revenue Service	Request for Taxpayer Identification Number and Certification	Give form to the requester. Do not send to the IRS.
Print or type See Specific Instructions on page 2	Name (as shown on your income tax return)	
	Business name, if different from above	
	Check appropriate box: <input type="checkbox"/> Individual/Sole proprietor <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Other ▶ <input type="checkbox"/> Exempt from backup withholding	
	Address (number, street, and apt. or suite no.)	Requester's name and address (optional)
	City, state, and ZIP code	
List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on Line 1 to avoid backup withholding. For individuals, this is your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the Part I Instructions on page 3. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN* on page 3.

Note: If the account is in more than one name, see the chart on page 4 for guidelines on whose number to enter.

Social security number
+ +
or
Employer identification number
+ +

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
- I am a U.S. person (including a U.S. resident alien).

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the Certification, but you must provide your correct TIN. (See the Instructions on page 4.)

Sign Here	Signature of U.S. person ▶	Date ▶
------------------	----------------------------	--------

Purpose of Form

A person who is required to file an information return with the IRS, must obtain your correct taxpayer identification number (TIN) to report, for example, income paid to you, real estate transactions, mortgage interest you paid, acquisition or abandonment of secured property, cancellation of debt, or contributions you made to an IRA.

U.S. person. Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN to the person requesting it (the requester) and, when applicable, to:

- Certify that the TIN you are giving is correct (or you are waiting for a number to be issued),
- Certify that you are not subject to backup withholding, or
- Claim exemption from backup withholding if you are a U.S. exempt payee.

In 3 above, if applicable, you are also certifying that as a U.S. person, your allocable share of any partnership income from a U.S. trade or business is not subject to the withholding tax on foreign partners' share of effectively connected income.

Note. If a requester gives you a form other than Form W-9 to request your TIN, you must use the requester's form if it is substantially similar to this Form W-9.

For federal tax purposes, you are considered a person if you are:

- An individual who is a citizen or resident of the United States,
- A partnership, corporation, company, or association created or organized in the United States or under the laws of the United States, or
- Any estate (other than a foreign estate) or trust. See Regulations sections 301.7701-6(a) and 7(a) for additional information.

Special rules for partnerships. Partnerships that conduct a trade or business in the United States are generally required to pay a withholding tax on any foreign partners' share of income from such business. Further, in certain cases where a Form W-9 has not been received, a partnership is required to presume that a partner is a foreign person, and pay the withholding tax. Therefore, if you are a U.S. person that is a partner in a partnership conducting a trade or business in the United States, provide Form W-9 to the partnership to establish your U.S. status and avoid withholding on your share of partnership income.

The person who gives Form W-9 to the partnership for purposes of establishing its U.S. status and avoiding withholding on its allocable share of net income from the partnership conducting a trade or business in the United States is in the following cases:

- The U.S. owner of a disregarded entity and not the entity,



STATE OF OHIO – OFFICE OF BUDGET & MANAGEMENT
 30 E. BROAD STREET, 34th FLOOR
 COLUMBUS, OHIO 43215 - 3457
<http://www.obm.ohio.gov/>

NEW VENDOR INFORMATION FORM
 (Replaces the old CAS VENE Form)

ALL parts of this form must be completed by the vendor and returned to the issuing state agency

READ & COMPLETE CAREFULLY

NEW

W-9 ATTACHED (REQUIRED)

SECTION 1:
 COMPLETE VENDOR LEGAL BUSINESS NAME (Should match W-9)

Business Name, Trade Name, Doing Business As: (If different from above)

BUSINESS ENTITY: CORPORATION PARTNERSHIP SOLE PROPRIETOR
 (Please check one only) NON PROFIT INDIVIDUAL OTHER (SPECIFY): _____

NOTE: IF SOLE PROPRIETOR, INDIVIDUAL'S NAME (AS OWNER) MUST APPEAR IN THE LEGAL BUSINESS NAME ABOVE

TAXPAYER ID # (TIN): SSN FEIN #

SECTION 2:
 VENDOR ADDRESS: STREET CITY COUNTY STATE ZIP CODE COUNTRY

CONTACT INFORMATION: NAME (TYPE OR PRINT)

VENDOR WEBSITE:

VENDOR E-MAIL ADDRESS:

BUSINESS PHONE & Ext #:

FAX NUMBER & Ext #:

IS YOUR BUSINESS CURRENTLY CERTIFIED AS MBE (Minority Business Enterprise) EDGE (Encouraging Diversity, Growth & Equity)

PAYMENT TERMS: (Pick one only) 2/10 Net 30 Net 30

SECTION 3:
 REMITTANCE INFORMATION: INDICATE BELOW THE REMITTANCE ADDRESS OF YOUR BUSINESS
 SAME AS VENDOR ADDRESS ABOVE EFT(Electronic Funds Transfer)

REMIT ADDRESS STREET CITY STATE ZIP CODE

NOTE: If EFT, must complete Form OBM-1234-(Rev.5/2007) Authorization for Direct Deposit of State Warrants

OBM-3456-(Rev.06/2007)

SECTION 4:

FOR PURCHASE ORDER (PO) DISTRIBUTION: 1) CHECK ONLY ONE BOX BELOW; 2) INPUT EMAIL ADDRESS OR FAX# (IF CHECKED)

EMAIL

FAX

USPS MAIL

NAME OF PERSON TO RECEIVE PO Distribution:

PHONE NUMBER:

E-MAIL ADDRESS:

TYPE OR PRINT NAME OF PERSON COMPLETING THIS FORM:

PHONE NUMBER:

ADD ADDITIONAL BUSINESS ADDRESS, E-MAIL & CONTACT INFORMATION ON SEPARATE SHEET IF REQUIRED

PLEASE SEND COMPLETED FORM & QUESTIONS ABOUT THE FORM TO THE ISSUING AGENCY (information listed below):

ISSUING AGENCY INFORMATION

ATTACHMENT TEN
PROPOSAL LABELS

ORIGINAL – Cost Proposal

**CSP903508- Actuarial/Economic Modeling of Health Coverage Reforms
Department of Administrative Services
Office of Procurement Services - Bid Desk
4200 Surface Road
Columbus, OH 43228-1395**

ORIGINAL – Technical Proposal

**CSP903508- Actuarial/Economic Modeling of Health Coverage Reforms
Department of Administrative Services
Office of Procurement Services - Bid Desk
4200 Surface Road
Columbus, OH 43228-1395**

COPY _ of _ – Cost Proposal

**CSP903508- Actuarial/Economic Modeling of Health Coverage Reforms
Department of Administrative Services
Office of Procurement Services - Bid Desk
4200 Surface Road
Columbus, OH 43228-1395**

COPY _ of _ – Technical Proposal

**CSP903508- Actuarial/Economic Modeling of Health Coverage Reforms
Department of Administrative Services
Office of Procurement Services - Bid Desk
4200 Surface Road
Columbus, OH 43228-1395**

**ATTACHMENT ELEVEN
COST SUMMARY**

Budget: Although it is expected that fees to be charged by the Offeror in connection with the Project Statement of Work will not exceed \$325,000.00, this Request for Proposal is being competitively bid and the not-to-exceed fee quoted by the Offeror will be one of the selection criteria.

NIGP Number: 956-70

UNSPSC Number: 93141900

Cost Data for Actuarial/Economic Modeling of Health Coverage Reforms	
Deliverable	Cost
1. Project Work Plan	\$
2. Preliminary Technical Assistance	\$
3. Summaries of Model Iterations	\$
4. Data Synopsis and Request	\$
5. Plan Designs	\$
6. Preliminary Report	\$
7. Final Report	\$
Total Proposed Not-to-Exceed Cost:	\$

All costs must be in U.S. dollars.

The State will not be responsible for any costs not identified.