

REQUEST FOR PROPOSALS

RFP NUMBER: CSP903610
INDEX NUMBER: DAS069
UNSPSC CATEGORY: 85000000 Healthcare Services
85101700 Health Administration Services

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

STATE OF OHIO, EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM

RFP ISSUED: March 10, 2010
INQUIRY PERIOD BEGINS: March 10, 2010
INQUIRY PERIOD ENDS: April 2, 2010 at 8:00 a.m.
PROPOSAL DUE DATE: April 9, 2010 by 1:00 p.m.

Proposals received after the due date and time will not be evaluated.

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

Offerors must note that 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. Refer to the Ohio Administrative Code, Section 123:5-1-08 (E).

This RFP consists of five (5) parts and nine (9) attachments and four (4) supplements, totaling 100 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 (ORC) and Section 123:5-1-08 of the Ohio Administrative Code (OAC). The Department of Administrative Services (DAS), Office of Procurement Services, on behalf of the Benefits Administration Services Office, (the Agency), is soliciting competitive sealed proposals (Proposals) for the State of Ohio, Employee Long Term Care Benefit Program, 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 Project (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 term of the Contract will be from the award date through September 30, 2012. The State may solely renew this Contract at the discretion of DAS for a period of one month. Any further renewals will be by mutual agreement between the Contractor and DAS for any number of times and for any period of time. The cumulative time of all mutual renewals may not exceed four (4) years and are subject to and contingent upon the discretionary decision of the Ohio General Assembly to appropriate funds for this Contract in each new biennium. DAS may renew all or part of this Contract subject to the satisfactory performance of the Contractor and the needs of the Agency.

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 DAS refusing to consider the Proposal of the Offeror.

QUALIFIED APPLICANTS. To be eligible, the Offeror must be the Contractor, Insurer, or Administrator of a long term care (LTC) program that has been in operation during the past sixty (60) months. Offerors must also complete the Questionnaires (see Supplement One) and include them as part of the Offeror Profile section of their Proposal.

The State desires the following criteria:

1. The Offeror has implemented and administered a long term care program in state government.
2. The Offeror has implemented and administered a long term care program in Ohio.
3. The Offeror must not engage in any off-shore business as it relates to the state of Ohio or any component of this Program.

BACKGROUND. Approximately 58,250 people are employed by the state of Ohio. The greatest concentrations of state employees are found in six (6) counties: Cuyahoga, Franklin, Hamilton, Lucas, Montgomery, and Summit. While the employee voluntary long term care Program will be available to employees in all 88 Ohio counties, it is anticipated that the vast majority of program participants will be located in the six (6) counties mentioned above, with Franklin County having the largest number of state employees, with an estimated 10,000 employees in the downtown Columbus area. Currently approximately 57,000 permanent full time and permanent part time employees meet eligibility requirements. LTC is offered as a tax-qualified voluntary benefit program available to qualifying state of Ohio employees and their eligible dependents. The benefit provides a wide range of personal care, health care, and social services for individuals who have a chronic disease or a long-lasting disability. Benefits include custodial care, and may be provided in a variety of settings including: a nursing home / facility, assisted living facility, an adult day care center, or at home. The State presently offers a service reimbursement voluntary group long term care plan, which provides benefits on a guaranteed issue basis during open enrollment. The program will include current Aetna participants, new hires and all employees, who enroll during the initial open enrollment. Premium payments are currently on a direct bill basis. The State's desire is to return to a payroll deduction basis/arrangement. AETNA has been the State's long term care plan insurer and administrator since 1994. The Program currently covers 725 active employees, 286 retired employees, and 219 portables. There are approximately 21 individuals currently in claims. Currently no participants are satisfying the elimination period.

A Collaboration Agreement exists between AETNA Life Insurance Company and the Prudential Insurance Company. Although AETNA and Prudential have collaborated to provide secure replacement coverage, since the replacement insurer was not competitively bid, the state of Ohio is required to utilize a competitive procurement process for its group Voluntary LTC Program insurance and administration. Prudential has agreed to offer replacement coverage equal to or better than the current coverage, at original issue age and on a guaranteed issue basis, and as a result will receive transfer funds that are 10% more than would have been transferred in the absence of a Collaboration Agreement. If available replacement coverage is equal to or better than the current coverage, AETNA will transfer funds to the replacement Contractor.

Replacement coverage must meet all of the criteria for "like plan" classification, as determined by AETNA in order to qualify for contractual funds transfer (see Supplements Two and Three). If replacement coverage is less than current coverage, it is not considered to be a "like" plan and no funds transfer will be provided. If all criteria are not strictly met, yet plan design

elements are substantially similar, AETNA intends to provide an extra-contractual fund transfer amount, including replacements of disability models with a service model. Under a “like” coverage replacement arrangement, eligible members may choose one (1) of the following options:

1. Continue with AETNA.
2. Surrender coverage.
3. Transfer to the new carrier.

AETNA will provide funds transfer information within approximately 4 – 6 weeks from the issue date of this RFP.

AETNA GROUP LONG TERM CARE INSURANCE - MANAGED DISENGAGEMENT STRATEGY - COLLABORATION WITH PRUDENTIAL LIFE INSURANCE COMPANY. One of the stated intentions for Aetna’s managed disengagement from the group LTC insurance business is to provide assistance to plan sponsors in transitioning out of their Aetna LTC coverage. In October 2007, it was announced that Aetna and Prudential agreed to collaborate to make a long term care transition option available to the majority of Aetna’s existing plan sponsors.

The Collaborative Agreement between Aetna and Prudential is not a sale or transfer of a block of Aetna’s group long term care insurance business. Plan sponsors are under no obligation to move their business to Prudential – they can choose to review and select coverage from any LTC carrier.

For those plan sponsors who do transfer their business to Prudential, Aetna has established a fully defined, repeatable takeover process. Given the efficiency and effectiveness resulting from this repeatable process, Aetna will provide Prudential with a funds transfer amount that, for any given eligible member, is 10% greater than it would provide in the absence of the collaboration. All funds transferred to Prudential (or to any other replacement carrier) are intended to be used for the benefit of each member toward future coverage.

There is no other financial arrangement between Aetna and Prudential resulting from the collaborative agreement.

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 gives only a summary of that work. If there is any inconsistency between this summary and the attachment’s description of the Work, the Attachment will govern.

DEMOGRAPHIC: FEMALE AND MALE BY AGE RANGE			
AGE GROUP	FEMALE	MALE	TOTAL
Ages 0-18	N/A	N/A	N/A
Ages 18-19	93	92	185
Ages 20-24	804	1115	1919
Ages 25-29	1842	2377	4219
Ages 30-34	2354	2981	5335
Ages 35-39	3264	4208	7472
Ages 40-44	4009	4834	8843
Ages 45-49	5029	5832	10861
Ages 50-54	4543	5034	9577
Ages 55-59	3470	3810	7280
Ages 60-64	1621	2009	3630
Ages 65+	765	957	1722
TOTALS	27794	33249	61043

A complete employee census by gender, occupation, date of hire, date of birth, marital status and annual salary can be accessed by clicking on the following hyperlink:

https://procure.ohio.gov/pdf/CSP903610_LTC%20RFP%20male-female%20latest%20census%20File.pdf

In summary, the Contractor responsibilities shall include, but may not be limited to the following:

1. Coordinate and conduct LTC Program activities, maintain communications, and assure marketing efforts.
2. Ensure the State’s electronic data exchange requirements are adhered to.
3. Develop an appropriate Web portal and ensure availability.

4. Provide customer service to the State's LTC Program.
5. Submit periodic reports to the appropriate state representative.

OBJECTIVES. DAS has the following objectives that it wants this Work to fulfill, and it will be the Contractor's obligation to ensure that the personnel the Contractor provides are qualified to perform their portions of the Work.

A key objective of the State is to continue to include a high quality, cost-effective, fully insured, 100% employee paid, voluntary, long term care program with excellent customer service in its benefit offerings, which effectively meets the needs of a diverse employee population. The State encourages interested contractors to provide creative, alternative solutions, which align with the State's objective(s). This RFP is in response to notification by AETNA Life Insurance Company, which is the state of Ohio's current long term care benefit program Contractor that they will be disengaging from the long term care market. Proposals, therefore, must satisfy the replacement criteria as detailed herein.

CALENDAR OF EVENTS. The schedule for the Project is given below, and is subject to change. DAS may change this schedule at any time. If DAS changes the schedule before the Proposal due date, it will do so through an announcement on the State Procurement Web site 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, DAS will make scheduled changes through the RFP addendum process. DAS will make changes in the Project schedule after the Contract award through the change order provisions located 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. No contact shall be made with agency/program staff until contract award is announced.

DATES:

Firm Dates

RFP Issued:	March 10, 2010
Inquiry Period Begins:	March 10, 2010
Inquiry Period Ends:	April 2, 2010 at 8:00 a.m.
Proposal Due Date:	April 9, 2010 by 1:00 p.m.

Estimated Dates

Contract Award Notification:	May 3, 2010
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NOTE: These dates are subject to change.

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, nine (9) attachments and four (4) supplements. 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 Summary
5-A	Offeror Profile Form
5-B	Offeror Prior Project Form
5-C	Offeror Prior Project Form
5-D	Offeror Prior Project Form
Attachment Six	Offeror References
Attachment Seven	Offeror's Candidate Summary
7-A	Offeror's Candidate References
7-B	Offeror's Candidate Education, Training, Licensure, and Certifications
7-C	Offeror's Candidate Experience
Attachment Eight	Offeror Performance Form
Attachment Nine	Cost Summary Form

SUPPLEMENTS.

Supplement One	Offeror Questionnaire (Sections One, Two, and Three)
Supplement Two	Aetna Fund Transfer Approach
Supplement Three	"Like Coverage" Definitions & Provisions
Supplement Four	Standard Inbound Deduction Interface File Layout Information

PART THREE: GENERAL INSTRUCTIONS

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

CONTACTS. The following person will represent DAS:

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

During the performance of the Work, a State representative (the "Agency Project Representative") will represent the Agency and be the primary contact for matters relating to the Work. 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:

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

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

Offerors may view inquiries and responses using the following process:

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

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

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, DAS will use its discretion in deciding whether to provide answers as part of this RFP process.

DAS 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 Offeror that 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 Offeror 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 agency, 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 five (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 decision by DAS 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 paragraph 2 above. In addition to the information listed in paragraph 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
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:

1. Access the State Procurement Web site at <http://www.ohio.gov/procure>;
2. From the Navigation Bar on the left, select "Find It Fast";
3. Select "Doc/Bid/Schedule #" as the Type;
4. Enter the RFP Number found on Page 1 of the document (RFP numbers begin with the letters "CSP");
5. Click "Find It Fast" button;
6. On the document information page, click on the addendum number to display the addendum.

When an addendum to this RFP is necessary, DAS may extend the Proposal due date through an announcement on State Procurement Web site. Addenda 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 this RFP.

After the submission of Proposals, addenda will be distributed only to those Offerors whose submissions are under active consideration. When DAS issues an addendum to the RFP after Proposals have been submitted, DAS will permit Offerors to withdraw their 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 to the extent that the Offeror's Proposal is no longer in its interests. Alternatively, DAS may allow Offerors that have Proposals under active consideration to modify their Proposals in response to the addendum, as described below.

Whenever DAS issues an addendum after the Proposal due date, DAS will tell all Offerors whose Proposals are under active consideration whether they have the option to modify their Proposals in response to the addendum. Any time DAS amends the RFP after the Proposal due date, an Offeror will have the option to withdraw its Proposal even if DAS permits modifications to the Proposals. If the Offerors are allowed to modify their Proposals, DAS may limit the nature and scope of the modifications. Unless otherwise stated in the notice by DAS, modifications and withdrawals must be made in writing and must be submitted within ten (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 DAS at the address and in the same manner required for the submission of the original Proposals. Any modification that is broader in scope than DAS has authorized may be rejected and treated as a withdrawal of the Offeror's Proposal.

PROPOSAL SUBMITTAL. Each Offeror must submit a Technical Proposal and a Cost Proposal as part of its Proposal package. Proposals must be submitted as two (2) separate components (Cost Proposal and Technical Proposal) in separate sealed envelopes/packages. Each Technical Proposal package must be clearly marked "CSP903610 RFP – Technical Proposal" on the outside of each Technical Proposal package's envelope. Each Cost Proposal package must be clearly marked "CSP903610 RFP – Cost Proposal" on the outside of each Cost Proposal package's envelope. Each Offeror must submit one (1) original, completed and signed in blue ink, and five (5) copies for a total of six (6) Proposal packages.

The Offeror must also submit, in the sealed package, a complete copy of the Proposals on CD-ROM in Microsoft Office (Word, Excel, or Project) 2003 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

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

Each Offeror must carefully review the requirements of this RFP and the contents of its Proposal. 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. DAS 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.

ORC Section 9.24 prohibits DAS 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. ORC Section 9.231 applies to this contract.

DAS 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. Any question asked during the inquiry period will not be viewed as an exception to the Terms and Conditions.

CONFIDENTIAL INFORMATION. DAS procures goods and services through a Request for Proposal (RFP), in a transparent manner. As such, the process to procure goods and services by DAS is open to inspection by the public. DAS makes available prices (offered and accepted), terms of payment, proposal materials, evaluation scores, product information, and other types of information DAS uses in evaluating and/or awarding the Contract. Further, the DAS will open for public inspection all proposals provided to the DAS in response to this RFP.

Therefore, an Offeror should not provide DAS with any information that the Offeror wishes the DAS not to provide to the public pursuant to a public request for such information. (Note: DAS will attempt to redact ancillary personal information such as social security numbers and Tax Identification Numbers from public inspection). Additionally, the Offeror must understand that 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 DAS will have the right to use any materials or ideas submitted in any Proposal without compensation to the Offeror.

However, if the Offeror chooses to include information it deems proprietary or trade secret information, the Offeror may designate such information as confidential and request that such information not be considered as public records and open for inspection. DAS shall review such requests provided the following:

1. The Offeror provides both an electronic copy and paper (hard) copies of the Proposal;
2. The Offeror clearly designates such information as confidential, proprietary, or trade secret, as appropriate at the time of Proposal submission;
3. The Offeror submits the designated material in a sealed container clearly marked "Confidential" and such material is readily separable from the Proposal; and
4. The Offeror redacts such information from the electronic copy of the Proposal.

DAS will review such information to determine whether the material is of such nature that confidentiality is warranted.

The decision as to whether such confidentiality is appropriate rests solely with DAS. If DAS determines that the information marked as confidential, trade secret, or proprietary, is not ancillary to the Proposal and that DAS needs such information in the evaluation of the proposal or that the information does not meet a statutory exception to disclosure, DAS will make the information available to the public. DAS will inform the Offeror, in writing, of the information DAS does not consider confidential for purposes of public disclosure.

Upon receipt of DAS' determination that all or some portion of the Offeror's designated information is not confidential, the Offeror may exercise the following options:

1. Withdraw the Offeror's entire Proposal;
2. Request that DAS evaluate the Proposal without certain information DAS deemed "public" (DAS will return such information to the Offeror); or
3. Withdraw the designation of confidentiality, trade secret, or proprietary information for such information and request DAS review the Proposal in its entirety.

Finally, if information submitted in the Proposal is not marked as "Confidential", it will be determined that the Offeror waived any right to assert such confidentiality.

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

WAIVER OF DEFECTS. DAS may waive any defects in any Proposal or in the submission process followed by an Offeror. DAS 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. DAS accepts multiple Proposals from a single Offeror, but DAS requires each such Proposal 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. DAS 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 ordered in the same manner as the response items are ordered in Attachment Two of this RFP.

DAS wants clear and concise Proposals. Offerors should, however, take care to completely answer questions and meet the RFP's requirements thoroughly. All Offerors, 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.

DAS will not be liable for any costs incurred by an Offeror in responding to this RFP, regardless of whether DAS 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

EVALUATION OF PROPOSALS. The evaluation process consists of, but is not limited to, the following steps:

1. Certification. The State shall open only those proposals certified as timely by the Auditor of State.
2. Initial Review. The State will review all certified Proposals for format and completeness. The State normally rejects any incomplete or incorrectly formatted Proposal, though it may waive any defects or allow an Offeror to submit a correction. If the Offeror meets the formatting and mandatory requirements listed herein, the State will continue to evaluate the proposal.
3. Proposal Evaluation. The procurement representative responsible for this RFP will forward all timely, complete, and properly formatted Proposals to an evaluation committee, which the procurement representative will chair. The evaluation committee will rate the Proposals submitted in response to this RFP based on criteria and weight assigned to each criterion.

The evaluation committee will evaluate and numerically score each Proposal that the procurement representative has determined to be responsive to the requirements of this RFP. 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 State has a right to break these criteria into components and weight any components of a criterion according to their 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 committee 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.

The State 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.

4. 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 best interests. Any clarification response that is broader in scope than what the State has requested may result in the Offeror's proposal being disqualified.
5. Interviews, Demonstrations, and Presentations. The State may require top Offerors to be interviewed. Such presentations, demonstrations, and interviews will provide an Offeror with an opportunity to clarify its Proposal and to ensure a mutual understanding of the Proposal's content. This will also 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. No more than the top three (3) Proposals may be requested to present an oral presentation of their proposed Work Plan to the committee.
6. Contract Negotiations. Negotiations will be scheduled at the convenience of the State. The selected Offeror(s) are expected to negotiate in good faith.

General. 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. Negotiated changes that are reduced to writing will become a part of the Contract file open to inspection to the public upon award of the Contract. 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.

Top-ranked Offeror. 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.

Negotiation with Other Offerors. 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.

Negotiation 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.

Post Negotiation. 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.

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, and 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.

The written changes will be drafted and signed by the Offeror and submitted to the State within a reasonable period of time. 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 proposal bond, if a proposal bond was required in order to respond to this RFP.

7. Best and Final Offer. If best and final proposals, or best and final offers (BAFOs), are required, they may be submitted only once; unless the State makes a 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.
8. Determination of Responsibility. The State may review the highest-ranking Offerors or its key team members to ensure that the Offeror is responsible. The Contract may not be awarded to an Offeror that is determined to be not 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 and 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.

9. 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 referenced 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.

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 contents attachment 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 (3) 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.

The State will decide which phases are necessary. The State has the right to eliminate or add phases at any time in the evaluation process.

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.

MANDATORY REQUIREMENTS. The following Table 1 contains items that are considered minimum requirements for this RFP.

Determining the Offeror's ability to meet the minimum requirements is the first step of the DAS evaluation process. The Offeror must demonstrate, to DAS, it meets all minimum requirements listed in the Mandatory Requirements section (Table 1). The Offeror's response to the minimum requirements must be clearly labeled "Mandatory Requirements" and collectively contained in Tab 1 of the Offeror's Proposal in the "Cover Letter and Mandatory Requirements" section. (Refer to Attachment Two of the RFP document for additional instructions.)

DAS will evaluate Tab 1, alone, to determine whether the Proposal meets all Mandatory Requirements. If the information contained in Tab 1 does not clearly meet every Mandatory Requirement, the Proposal will be disqualified by DAS and DAS will not evaluate any other portion of the Proposal.

TABLE 1 - MANDATORY PROPOSAL REQUIREMENTS

MANDATORY REQUIREMENT	Accept	Reject
1. The Offeror must provide a key contact person, by name, who will be assigned to this Project.		
2. The Offeror attests to the fact that they shall provide a guaranteed issue for existing participants; for all employees during an initial open enrollment; and for eligible new hires within 60 days of hire.		
3. The Offeror must provide four (4) references. References shall include two (2) current clients plus two (2) former clients.		
4. The Offeror must provide an Offeror Profile, which includes completed Offeror Questionnaires (see Supplement One) and a Work Plan.		
5. The Offeror must provide a proposed Implementation Plan as an identified tab in the Offeror Work Plan section of the Proposal.		
6. The Offeror must attest to the fact that none of their business related to the state of Ohio or this Program are or will be conducted off-shore.		

If the State receives no Proposals meeting all of the mandatory requirements, the State may elect to cancel this RFP.

PROPOSAL EVALUATION CRITERIA. If the Offeror provides sufficient information to DAS, in Tab 1, of its proposal, demonstrating it meets the Mandatory Requirements, the Offeror's Proposal will be included in the next part of the evaluation process which involves the scoring of the Proposal Technical Requirements, followed by the scoring of the Cost Proposals. In the Proposal evaluation phase, the State rates the Proposals submitted in response to this RFP based on the following listed criteria and the weight assigned to each criterion. The possible points allowed in this RFP are distributed as indicated in the Table 2 - Scoring Breakdown.

TABLE 2 - SCORING BREAKDOWN

Criteria	Maximum Allowable Points
Proposal Technical Requirements	450 Points
Proposal Cost	150 Points
Total	600 Points

The scale below (0-5) will be used to rate each proposal on the criteria listed in the Technical Proposal Evaluation table.

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

The State will score 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 in Table 3. Representative numerical values are defined as follows:

1. DOES NOT MEET (0): Response does not comply substantially with requirements or is not provided.
2. WEAK (1): Response was poor related to meeting the objectives.
3. WEAK TO MEETS (2): Response indicates the objectives will not be completely met or at a level that will be below average.
4. MEETS (3): Response generally meets the objectives (or expectations).
5. MEETS TO STRONG (4): Response indicates the objectives will be exceeded.
6. STRONG (5): Response significantly exceeds 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 3 - TECHNICAL PROPOSAL EVALUATION

Criterion	Weight	Rating (0=Does not Meet to 5=Strong)	Extended Score
Offeror Profile			
1. The Offeror demonstrates in its Cover Letter, its understanding of the scope of work, services required, standards expected, and previous experience and Program knowledge.	10		
2. The Offeror demonstrates, by means of a definitive description, its qualifications and experience in performing the Work in compliance with the Project requirements and specific to experience (within last five (5) years).	15		
3. The Offeror identifies, by name, and provides the qualifications of key project personnel and their responsibilities on the Project.	15		
4. The Offeror clearly demonstrates its capability to provide the required services.	10		
5. The Offeror provides a matrix and identifies the methodologies to ensure Scope of Work Requirements, as identified in Attachment One, Part One are met.	10		
6. The Offer must provide a minimum of three (3) previous projects, similar in size and scope and provide the details of each. (Attachments 5 B, C and D.	10		
Offeror References			
7. The Offeror must provide four (4) references. References shall include two (2) current clients plus two (2) former clients.	10		
Scope of Work			
8. The Offeror provides a Work Plan, which mirrors the requirements as specified in Attachment One, Part One and Attachment Two.	10		

Total Technical Score: _____

In this RFP, the State 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 in relation to the other Proposals that the State received.

Once the technical merits of a Proposal are evaluated, the costs of that Proposal will be considered. It is within the State's discretion to wait to factor in a Proposal's cost until after any interviews, presentations, demonstrations or discussions. Also, before evaluating the technical merits of the Proposals, the State may do an initial review of costs to determine if any Proposals should be rejected because of excessive cost. The State may reconsider the excessiveness of any Proposal's cost at any time in the evaluation process.

Cost Proposal Points: The State will calculate the Offeror's Cost Proposal points after the Offeror's total technical points are determined, using the following method:

Cost points = (lowest Offeror's cost/Offeror's cost) x Maximum Allowable Cost Points as indicated in the "Scoring Breakdown" table. The value is provided in the Scoring Breakdown table. "Cost" = Total Not to Exceed Cost identified in the Cost Summary section of Offeror Proposals. In this method, the lowest cost proposed will receive the Maximum Allowable Points.

The number of points assigned to the cost evaluation will be prorated, with the lowest accepted cost proposal given the maximum number of points possible for this criterion. Other acceptable cost proposals will be scored as the ratio of the lowest price proposal to the proposal being scored, multiplied by the maximum number of points possible for this criterion.

An example for calculating cost points, where Maximum Allowable Cost Points Value = 60 points, is the scenario where Offeror X has proposed a cost of \$100.00. Offeror Y has proposed a cost of \$110.00 and Offeror Z has proposed a cost of \$120.00. Offeror X, having the lowest cost, would get the maximum 60 cost points. Offeror Y's cost points would be calculated as \$100.00 (Offeror X's cost) divided by \$110.00 (Offeror Y's cost) equals 0.909 times 60 maximum points, or a total of 54.5 points. Offeror C's cost points would be calculated as \$100.00 (Offeror X's cost) divided by \$120.00 (Offeror Z's cost) equals 0.833 times 60 maximum points, or a total of 50 points.

Cost Score: _____

FINAL STAGES OF EVALUATION. The Offeror with the highest point total from all phases of the evaluation (Technical Points + Cost Points) will be recommended for the next phase of the evaluation.

Technical Score: _____ + Cost Score: _____ = Total Score: _____

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

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 by other means.

DISCLOSURE OF PROPOSAL CONTENTS. The State will seek to open the Proposals in a manner that avoids disclosing their 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.

PART FIVE: AWARD OF THE CONTRACT

CONTRACT AWARD. DAS 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.

The signature page for the Contract is included as Attachment Four of this RFP. In order for an Offeror's Proposal to remain under active consideration, the Offeror must sign, the two (2) copies enclosed, in blue ink and return the signed Contracts to DAS with its response. Submittal of a signed Contract does not imply that an Offeror will be awarded the Contract. In awarding the Contract, DAS will issue an award letter to the selected Contractor. The Contract will not be binding on DAS until the duly authorized representative of DAS signs both copies and returns one (1) to the Contractor, the Agency issues a purchase order, and all other prerequisites identified in the Contract have occurred.

DAS expects the Contractor to commence work upon receipt of a state issued purchase order. If DAS awards a Contract pursuant to this RFP and the Contractor is unable or unwilling to commence the work, DAS 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 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 Offeror's proposal, as amended, clarified, and accepted by DAS; and
4. The documents and materials incorporated by reference in the Offeror'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.

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 Offeror must deliver as part of the completed Project (the "Deliverables"), and it gives a detailed description of the Project's schedule.

SCOPE OF WORK. This attachment describes the scope of services and outlines the service requirements. The Contractor agrees to meet or exceed all standards, regulations, laws, and ordinances as adopted by federal, state, and local authorities. These laws and ordinances must include, but not be limited to, any governing body under which the State may operate now or in the future.

The Contractor must provide overall project management for the tasks outlined in this RFP, including the day-to-day management of its staff and assist State staff as pertaining to their assignment to this RFP Project. The Contractor must provide administrative support for its staff and activities. Throughout the Project, the Contractor must employ project management techniques to ensure a comprehensive Work Plan is developed, executed, monitored, reported, and maintained. The State will provide appropriate oversight for the Project.

The Contractor must provide and perform all services as identified in accordance with appropriate government regulations, industry standards, and those designated in this RFP. The selected Contractor must utilize qualified personnel that are able to perform the Work required and specified in this RFP. Unless otherwise approved by the BAS Contract Administrator, all work performed and materials used under this Contract shall conform to the latest version of all DAS manuals, standards, specifications, statewide special specifications, policies, and procedures, and associated addenda and amendments.

The State is seeking Proposals from qualified contractors to deliver all aspects of the Program described within this RFP. All operating expenses associated with the management, and maintenance, including without limitation, the Contractor's service fees, on-site salaries, wages, prevailing wages, payroll taxes, benefits, materials, equipment, tools, parts, supplies, subcontractors, preventative and remedial maintenance contracts, and insurance must be included in the Contractor's Cost Proposal.

Offerors should respond clearly and completely to all requirements. Offerors should address and definitively describe, in as much detail as possible, the individual roles and obligations of the Contractor, and of applicable subcontractors, to ensure that DAS will be satisfied with eventual outcomes in each of the areas of responsibility represented in this RFP.

A. DEFINITIONS.

1. Agency. The Ohio Department of Administrative Services (DAS), Office of Benefits Administration Services (BAS).
2. ADL. Activities of Daily Living.
3. ALF. Assisted Living Facility.
4. Calendar Year. January 1 through December 31 of the respective year.
5. Contract Administrator. The BAS representative responsible for contract administration.
6. Contractor: A successful Offeror who will perform the duties specified in the Contract.
7. DBA. Daily Benefit Allowance.
8. Electronic commerce technologies. Electronic Data Interchange, Web Invoicing, and Payment cards.
9. FTP. File transfer protocol.
10. GI. Guaranteed issue.
11. HC. Home Care.
12. IP. Internet Protocol.
13. LTC. Long term care.
14. NH. Nursing Home.

15. Offeror. A company or individual submitting a Proposal in response to this RFP.
16. Plan Sponsor. Aetna employer client for which the Aetna Insurance Company is the long term care provider.
17. Portability. The option to continue long term care coverage at the group rate by paying premiums directly to the Contractor, in the event the participant is no longer an employee, or if the group contract is discontinued for new enrollees. For example:
 - a. Employee dies.
 - b. Employee is no longer employed by the State.
 - c. Employee is divorced from spouse

In the examples referenced above, the spouse and other eligible individuals may continue coverage. The long term care provider would be contacted by the participant(s) to make necessary arrangements.

18. RFP. That certain Request for Proposal for a State of Ohio Employee Long Term Care Benefit Program numbered as CSP903610, issued by the state of Ohio, through the Department of Administrative Services, Office of Procurement Services, for the Benefits Administration Services Office, including any addenda, which by its terms is an integral part of this Contract.
19. State. Refers to the state of Ohio, through any of its departments, agencies, or representatives.
20. State of Ohio fiscal year. The period from July 1 of one (1) calendar year through June 30 of the following calendar year.
21. Subcontractor. Any service provider hired under contract with the Contractor to meet the requirements of this agreement.

- B. RESOURCES. The following resources are available to prospective Offerors on the state of Ohio Web site, for informational purposes at:

<http://das.ohio.gov/divisions/HumanResources/BenefitsAdministration.LongTermCare/tabid/201/Default.aspx>

1. The 2008 Health Care Guide and Comparison Chart used during the spring 2008 open enrollment, plus the following ODI Shoppers Guide at: www.insurance.ohio.gov/consumer/ocs/completeguides/complete_guide_ltcare.pdf. The Pathways newsletter, a JHCC publication primarily published by BAS, and issued approximately quarterly.
2. The Offeror Questionnaires (see Supplement One), required for Proposal submission, are available as a Microsoft Word® document at the following hyperlink:

[http://procure.ohio.gov/PDF/DAS069%20LTC%20Offeror%20Questionnaire%20\(2\).doc](http://procure.ohio.gov/PDF/DAS069%20LTC%20Offeror%20Questionnaire%20(2).doc)

- C. GENERAL REQUIREMENTS. The Contractor agrees to be responsible for the areas of responsibility identified in this RFP. In addition, the Contractor agrees to meet or exceed all standards, regulations, laws, and ordinances as adopted by federal, state, and local authorities. These laws and ordinances must include, but not be limited to, any governing body under which the State may operate now or in the future.

The Contractor shall provide for the complete administration of the Program to include, but not be limited by, the responsibilities listed below.

1. Perform as the sole point of contact with Employees participating or wishing to participate in the Program.
2. Enroll and process enrollments for Employees wishing to participate in the Program.
3. Receive bi-weekly premium payments from the State (please refer to paragraph R of this Section).

Maintain complete and accurate public record information about:

1. Employee enrollments
2. Premium payments earned and received
3. Employee complaints and the resolution to the complaints.
4. Make public records available for inspection or audit, with reasonable notice.

Hold the State harmless from all claims arising from Employees with respect to the Contractor's administration of this Program.

Establish procedures for the resolution, and escalation if necessary, of problems or issues between the Contractor and the State.

- D. CONTRACTOR AREAS OF MANAGEMENT RESPONSIBILITY. The Contractor must insure, implement, and administer the state of Ohio LTC Program. This section contains the primary areas of management responsibility essential to this Project.

1. Data Exchange. The Contractor shall send monthly deduction files to the State and receive bi-weekly deduction files from the State. The Contractor can request to receive bi-weekly eligibility files from the State. The eligibility file is an 834 HIPAA file generated from PeopleSoft. Supplement Four contains the layouts for the inbound and outbound deduction files.

When interfacing with subcontractors, the Contractor shall integrate all data on a single IT platform or, at a minimum, accommodate the electronic exchange of data between the Contractor, its subcontractors, the state of Ohio, and the State's other business partners such as health plans.

All subcontractors used by the Contractor shall adhere to the same data processing requirements. At a minimum, the Contractor will receive monthly updates from its subcontractors for reporting purposes and in order to respond to inquiries from members and the State.

2. Identification, Engagement, and Integration. The Contractor shall propose plans for transitioning current participants into its LTC Program. In addition, the Contractor shall continue to communicate with members until three (3) months before Contract termination. In the last three (3) months of the Contract, the Contractor shall continue to service enrolled participants and new participants who opt into the Program.
3. Communication. Effective communication is a key contributor to the success of the Program. A mix of Contractor-specific and State-branded materials is critical to balance the privacy concerns of employees with the need to show State sponsorship and support of programs. Both the State and the Contractor shall support communications. The Contractor shall work closely with the State to develop an integrated communication strategy, timeline, messages, and materials.

Assign a person who will serve as the dedicated account executive responsible for managing the State's LTC Program. Collaborate with the State to establish procedures between the Contractor and the State to offer the Program to all state of Ohio employees (Employees).

Collaborate with the State to establish procedures between the Contractor and the State to offer the Program to all state of Ohio employees (Employees).

Create hard copy marketing materials, as well as an Internet site, for providing Program information to Employees. Actively promote the Program to Employees in all State office locations that could benefit from the Program. Provide enrollment opportunities to Employees via the Internet, telephone, and by mail.

Specifically, the Contractor shall design, print, and distribute a standard package of communications including, but not limited to: brochures, posters, information sheets, and other educational and promotional resources. At a minimum, these communications materials shall include:

- a. Transition letters to currently participating members.
- b. Program launch brochures mailed to members' homes.
- c. Additional brochures available for events, general and specific topic and educational brochures.
- d. Log-on instructions.
- e. Customized Web site.

The state of Ohio must review and approve all member materials before distribution to members.

4. Customer Service. The Contractor shall commit customer service resources to the State to provide a single point of contact for members. The unit shall be knowledgeable about the details of the State's Program and responsible for responding to all member Program inquiries, requests for technical assistance, and complaints concerning the Program. The Contractor's customer service center shall be supported by after-hours live service or a messaging and e-mail system with returned responses within one (1) business day.

The Contractor shall provide a help desk facility to assist Employees, accessible via the Internet and by telephone Monday through Friday between 7:00 a.m. EST until 6:00 p.m. EST (at a minimum).

Customer service performance standards are as follows:

- a. The Contractor shall monitor the quality of all calls.

- b. The Contractor shall provide the State with results of call monitoring no less than quarterly.
- c. The Contractor shall meet at least a 90% compliance level.
- d. The Contractor shall monitor, on a monthly basis, and meet or exceed an average speed of answer of less than 30 seconds and a call abandonment rate of fewer than five (5) percent.

E. QUALIFIED APPLICANTS. Qualified Offerors must be the contractor, insurer or administrator, of a LTC Program that has been in operation during the past sixty (60) months.

The Offeror must address this specifically in the Cover Letter portion of the Proposal as well as more in depth in the Offeror Profile tab of the Proposal (See Attachment Six) to document its qualifications. The form must be filled out completely, in typed form. The form may be recreated electronically, but all fields and formats must be retained. Failure to recreate the form accurately may lead to the rejection of the Offeror's Proposal. Also, failure to respond to all information requested on the form 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.

F. DESIRABLE EXPERIENCE. The Offeror is required to document its experience as it relates to the following desirable experience:

1. The Offeror has implemented and administered a long term care program in state government.
2. The Offeror has implemented and administered a long term care program in Ohio.
3. The Offeror must not engage in any off-shore business as it relates to the state of Ohio or any component of this Program.

G. EMPLOYEE ELIGIBILITY. Eligibility includes permanent full-time employees, permanent part-time employees working 20 or more hours per week, spouse, parents, parents-in-law, adult children and spouses, siblings and spouses, grandparents, and grandparents-in-law. An employee's spouse, parents and other eligible individuals may enroll for long term care even if the employee does not enroll.

H. ENROLLMENT. Eligible employees may initially enroll within 60 days of the date hired by the state of Ohio without evidence of insurability. If not enrolled when initially eligible, employees may apply for long term care insurance anytime. They must provide proof of insurability, however, and are subject to underwriting approval by the insurance provider. It is also intended that upon finalization of the Contract, an initial open enrollment opportunity will be provided, during which evidence of insurability will not be required.

I. GROUP PLAN ADVANTAGES AND INDIVIDUAL POLICY FLEXIBILITY. Each individual who enrolls for long term care coverage has their own individual coverage. For example, a wife may have a three-year plan while the husband selects a five-year plan. One may select to have the return of contribution benefit while the other does not.

J. DESCRIPTION OF PRORAM. This Program provides a benefit to state of Ohio employees and eligible dependents. The Contractor is totally responsible for the implementation and administration of the Program, including all interactions and monetary transactions with Employees and the State. The Contractor is the sole point of contact with Employees on all matters pertaining to the Program, including any and all Employee complaints and disputes.

The State's participation in the Program is limited to interactions and monetary transactions between the State and the Contractor, plus all Employee payroll deductions that are made pursuant to election agreements made between the Contractor and Employee.

1. The Employee makes election to participate and identifies Program choices.
2. The Contractor provides information to the State that identifies the Employee, Program participants, and provides the following statistics, on a monthly basis:
 - a. Monthly deduction amount.
 - b. Age.
 - c. Gender.
 - d. The number of drops in coverage for the period and year-to-date totals.
 - e. New enrollments for the period.
 - f. The number of Program participants in claim.
 - g. The number of Program participants on bill direct.

The Employee is responsible for contacting the Contractor and completing all required enrollment forms and attendant information required to participate in the Program. This shall be done in compliance with plan provisions. Employee must provide all information required by the Contractor.

Required Benefits and Provisions are listed below in Table Four.]

TABLE 4 - REQUIRED BENEFITS AND PROVISIONS

In general, long term care carriers and policies in Ohio must comply with the requirements of Revised Code Sections 3923.41 through 3923.48 and Ohio Administrative Code Sections 3901-4-01, 3901-4-02 and 3901-4-03.			
BENEFIT	STANDARD BENEFITS	OPTIONAL BENEFITS	COMMENTS
FACILITY BASED CARE			
Daily Maximum Benefit Amount	An amount equal to the nursing care facility daily benefit amount		
Lifetime Maximum Benefit Amount	Amount equal to 1095 or 1,825 times the covered family member's nursing care facility DBA		Can quote an unlimited benefit
Daily Benefit Amount	\$300 - \$600 / month in \$1 increments		
Nursing Home or Hospice Facility Benefit	100% of DBA or actual expenses		Lesser of actual charges or 100% of DBA
Assisted Living Facility Benefit	100% of DBA or actual expenses		Lesser of actual charges or 100% of DBA
COMMUNITY BASED CARE			
Home Health Care	50% of DBA Required		Actual expenses at 50% of daily benefit amount required
Home Hospice Care	50% of DBA		Actual expenses up to 50% of daily benefit amount
Adult Day Care	50% of DBA	Can propose an enhanced benefit	Actual expenses up to 50% of daily benefit amount
Home Modification	100% of actual expenses up to 10 times DBA or \$1,000 whichever amount is greater		Minimum benefit \$1,000
Assistive Equipment and Technology	100% of actual expenses, up to 50% of DBA. Benefit payable once per month.		
Bed Reservation	100% of DBA or actual expenses		60 day calendar year maximum

Table 4 is continued on the following two pages.

ADDITIONAL BENEFITS

Respite Care Benefit	50% of DBA or actual expenses		21 day calendar year maximum
Transitional Care	3 times DBA or actual expenses		One- time payment
Informal Care	25% of DBA or actual expenses		50 day calendar year maximum
Informal Caregiver Training	3 times DBA or actual expenses	Can propose an enhanced benefit	One payment per claim period
Alternate Care Benefit	60% of DBA or actual expenses		Lesser of actual charges or 60% of DBA
Restoration of Benefits	Required		90 days between claim periods
Spousal Discounts	Not required	Can propose an enhanced benefit	
Benefit Eligibility	2 of 6 ADLs or Severe Cognitive Impairment	Can propose an enhanced benefit	
Elimination Period	90 days		
Future Purchase Inflation Protection	Required		Minimum 5% compounded every year Full disclosure document will be required in participant materials and employee communications
Automatic Inflation Protection	Required	Can propose an enhanced benefit	Minimum 5% compounded annually
Benefit Increase Options	Required		Right to lower coverage and reduce premium
Waiver of Premium	Required		
Portability	Required		If member is no longer eligible or if group contract is discontinued, plan members may continue coverage at the group rate by paying premiums directly to the contractor.
Guaranteed Issue	Required/Mandatory Offer		Current Aetna LTC enrollees, Initial offering and new hires to comply with Ohio Revised Code.
Discounts with Providers	Required		

Coordination with Medicare	Required		
Case Management Services	Required		
Non-Forfeiture option	Required/Mandatory Offer	Can propose an enhanced benefit	Compliance with Ohio Revised Code minimum requirements
Return of Contribution upon Death option	Required	Can propose an enhanced benefit	
Guaranteed Issue for initial employees, during open enrollment periods and for future new hires	Required		
Age Rating	Required		Ages 20-90 by year
Covered Individuals	Employee, spouse, parents, parents-in-law, adult children and spouses, siblings and spouses, grandparents and grandparents-in-law	Other Family Members	Spouse and other eligible family members may enroll for long term care even if the employee does not.

K. TECHNICAL STANDARDS. The Offeror's system must interface satisfactorily with the State's Ohio Administrative Knowledge System (OAKS). The OAKS interface architecture provides a framework to enable data interchange between OAKS and agencies. The following are key standards:

1. Data Set / File. Data is exchanged in files using a fixed width, text-based 8-bit ASCII flat file format that is human-readable using everyday text editors such as vi and Notepad. The files are received on a Windows 2003 SP1 server and shall be processed on both Windows and HPUX Unix servers. End-of-line characters may be either a newline (/n - UNIX) (10 or 0x0a) or a carriage return / line feed combination (CRLF – Windows) (13/10 or 0x0d/0x0a).
2. Communication Protocol. OAKS accepts connections using SSL-encrypted File Transfer Protocol (FTPS). FTP clear text connections are not accepted.
3. FTP. OAKS' uses a server that has a Contractor-facing gateway component that provides the login and file transfer service, and a protected system area where files are actually stored.
4. Directory Structure. Each Contractor is assigned a dedicated directory on the FTPS server. That directory is the only location on the server that the Contractor uses to transfer files. A Contractor is not able to see any other Contractor's or agency's directory or contents.

L. SECURITY STANDARDS. OAKS uses the following security approaches to minimize security risks to data exchange:

1. Virtual Private Network (VPN). OAKS accepts connections to its FTPS server from the state of Ohio VPN network. This adds a layer of verification that the Contractor's connecting process is pre-authorized. This service is currently being developed and OAKS will provide the selected Contractor with details when available. Either client or site-to-site connections are suitable for OAKS connection purposes; however site-to-site is preferred.
2. IP Filtering. OAKS uses the IP addresses that Contractors supply to permit network access to its FTPS server. All other IP addresses will be blocked.
3. 128-bit SSL encryption. 128-bit encryption secures the transmission channel between the Contractor and OAKS for the duration of the session. Contractors use a 128-bit SSL FTPS-capable client to connect to the OAKS server. A partial list of compatible FTPS clients is:
 - a. CuteFTP
 - b. WSFTP
 - c. Core FTP Pro
 - d. SecureFTP
 - e. TumbleWeed

4. User ID & Password. Each Contractor is assigned a user ID and password on OAKS' FTPS server. Anonymous "sign on" or "login" is not supported.

M. FILE EXCHANGE APPROACH I – CONNECTS TO OAKS. The sequence of events for exchanging files with OAKS is:

1. The Contractor sub-system (or person, if the Contractor transfers files manually) connects to the state of Ohio VPN.
2. The sub-system connects to the OAKS FTPS service.
3. Interface direction:
 - a. Inbound to OAKS. The sub-system uploads the file(s) prior to the interface's cutoff time. There may be more than one (1) file to exchange, and there may be multiple scheduled times within a day that the Contractor sends files. The FTPS server moves the file(s) from the Contractor's directory to the secure file server on the OAKS network. The file no longer appears in the Contractor's directory.
 - b. Outbound from OAKS. OAKS' places the file(s) in the Contractor's directory prior to the scheduled download time. At or after that time (but before the next scheduled file transfer for that file type), the Contractor sub-system downloads the file. Doing so removes the file from the directory upon a successful download.
4. The subsystem closes its FTPS connection, and optionally, its VPN connection.

N. ADDITIONAL NOTES & INFORMATION.

1. Interface file names. Interface file names are named uniquely (Interface layout design(s) are available for specific file names). This supports the following options:
 - a. A Contractor may participate in more than one (1) interface with OAKS. All interface files are exchanged using the Contractor's directory.
 - b. A single interface may be defined as using multiple files with each Contractor.
2. OAKS interface file names. OAKS interface file names are not time-stamped while under transit. The name serves only to identify the type of data contained. The data in the file captures any business date information. Contractors and OAKS may timestamp files when stored on their own internal file systems, but OAKS expects that files are named conforming to the OAKS naming standards while in transit. This means that Contractors must adhere to schedules when transferring files.
3. OAKS archives. OAKS' archives all files that are transferred, whether inbound or outbound, for a set retention period (defined per interface – per the State's OAKS business liaison). This means that if a Contractor misses a transfer period for an outbound file, which is subsequently overwritten, a manual process is available to forward a copy to the Contractor from the OAKS archive. Inbound files that miss processing deadlines are not processed in the current processing iteration. Contractors should be aware of this so that appropriate steps can be taken to have the data processed.

O. PROJECT IMPLEMENTATION AND TRANSITION. The Project Implementation Plan shall include a description of how the requirements of the Project will be implemented. Offerors must indicate a commitment to assume responsibilities and execute Program requirements not later than July 1, 2010. Failure of the selected Offeror to execute Program implementation within this time-frame shall be grounds for the State to cancel the award of the Contract to the selected Offeror, select another Offeror, and/or re-open the negotiation process.

P. DELIVERY AND COMPLETION DATES. The contractor's monthly enrollment and premium data must be provided to the State no later than the 9th day of the month, or on another date mutually agreed upon by the State and the Contractor.

Q. CONTRACTOR PREMIUM PAYMENT FUNDING. All premium payments will be provided 100% from participating Employees' payroll. The state of Ohio shall have no liability for any Program expenses incurred by the Contractor that, for any reason, cannot be recouped from Employee payroll.

The Contractor will be responsible for making refunds to participants in the event that premium deductions exceed the amount due.

R. SOURCE OF FUNDING; CONTRACTOR FUNDING. All funding will be provided from participating Employees' payroll. The state of Ohio shall have no liability for any Program expenses incurred by the Contractor that, for any reason, cannot be recouped from Employee payroll. The Contractor shall be responsible for making refunds to participants in the event that premium deductions exceed the amount due.

S. COST CONTROL, PAYMENT, AND RECORD KEEPING.

1. Billing and Payment.

Payments to the Contractor will be automatically processed and remitted to the Contractor when payroll is run. A list of employees for whom the premium is included in the remittance will be provided for pick up by the Contractor at the agreed upon FTP site. Remittance will be provided based on four (4) difference pay cycles.

The State's four (4) pay cycles include:

- a. Bi-weekly current – Employee is paid for the most recent two (2) weeks worked. (E.g., employee is paid for work performed 11/10 - 11/21 on 11/21).
- b. Bi-weekly delayed – Employee is paid on a two (2) week delayed basis. (E.g., employee is paid for work performed 11/10 - 11/21 on 12/05).
- c. Monthly current – Employee is paid at the end of the month worked. (E.g., employee is paid for work done during the month of November on 11/28.)
- d. Monthly advance - Employee is paid at the beginning of the month worked. (E.g., employee is paid for the month of November at the beginning of the month.)

Remittance will be provided on the last business day of the month for the “monthly current” payroll cycle. Remittance will be provided the first business day of the month for the “monthly advance” payroll cycle.

2. The Contractor shall maintain such accounting books and records in connection with its operations under this Contract for a period of not less than seven (7) years. Such accounting books and records shall be maintained in accordance with generally accepted accounting principles and with all statutory provisions as set forth by federal and state law, and must be acceptable to the State.
3. Copies of all cost control records and reports shall be furnished to the State in compliance with mutually agreed upon reporting schedules.

T. BAS RESPONSIBILITIES. BAS shall:

1. Coordinate and communicate with the successful Offeror in order to implement the LTC Program.
2. Coordinate status meetings with the selected Contractor throughout the Contract Administration period.

CONTRACTOR RESPONSIBILITIES. The Contractor must meet all RFP requirements and perform Work as defined in the Scope of Work.

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

THE OFFEROR'S FEE STRUCTURE. The Contractor will be paid as proposed on the Cost Summary Form after the Agency approves the receipt of product(s) and continued completion of all deliverables.

REIMBURSABLE EXPENSES. None.

BILL TO ADDRESS.

Ohio Department of Administrative Services
Human Resources Division
Benefits Administration Services Office
30 E. Broad Street
Columbus, OH 43215

Please Note: There shall be no direct billing to the State for this program. This is an employee paid program.

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, chronologically in order, with tabbed sections as listed below:

1. Cover Letter and Mandatory Requirements
2. Certification
3. Offeror Disclosure of Location of Services and Data
4. Signed Contracts
5. Offeror Profile and Prior Projects
6. Offeror References
7. Staffing Plan
8. Personnel Profile Summary
9. Work Plan (Included is the Implementation Plan as a tabbed subsection.)
10. Support Requirements
11. Conflict of Interest Statement
12. Assumptions
13. Proof of Insurance
14. Payment Address
15. Contract Performance
16. W-9 Form and Additional Vendor Information Form
17. Declaration Regarding Material Assistance/Non-assistance to a Terrorist Organization (DMA)
18. Affirmative Action Plan
19. Cost Summary Form
20. Offeror Questionnaire from Supplement One

REQUIREMENTS:

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. In addition, the Contractor must provide a list of the tests each of the subcontractors will be performing.
 - 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.
 - 6) A statement that the Subcontractor will maintain any permits, licenses, and certifications required to perform work.
 - f. A statement that the Offeror's proposed solution for the Project meets all 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.).
- 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 document.
- m. All contractors from whom the State or any of its political subdivisions make purchases in excess of \$2500.00 shall have a written affirmative action program for the employment and effective utilization of economically disadvantaged persons, as referred to in division (E)(1) of section 122.71 of the Revised Code. Annually, each such contractor shall file a description of the affirmative action program and a progress report on its implementation with the Equal Employment Opportunity office of the Department of Administrative Services. Provide a statement that the offeror has been approved through this affirmative action program. Refer to the Affirmative Action paragraph in Attachment Two and to the Equal Employment Opportunity paragraph in Attachment Three, Part Seven of this RFP.

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 m. above.

Responses to all Mandatory Requirements from Table 1 must be included in this section (Tab 1).

2. CERTIFICATION. Each Proposal must include the following certification signed by the individual Offeror.

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

(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, the Agency, and the Department of Administrative Services. (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), the Agency, or the Department of Administrative Services.

(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 Agency 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.
- c. The principal location of business for the Contractor.

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 Department of Administrative Services.

- 4. Signed Contracts. The Offeror must provide two (2) originally signed, blue ink copies of the included Contract, Attachment Four. Offeror must complete, sign and date both copies of the Contract and include it with their Proposal. (Attachment Four).
- 5. Offeror Profile and Prior Projects. 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; fax number; e-mail address; 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. This RFP includes Offeror Profile Summary Form as Attachment Five A which must be completed for the Offeror. The Offeror must use this form and fill it out completely to provide the Offeror requirement information.

The Offeror 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. Failure to recreate the form accurately to include all fields, may lead to the rejection of the Offeror's Proposal.

The Offeror must document previous experience and expertise in providing a minimum of three (3) previous projects in the previous five (5) years. These projects must be of similar size, scope and nature. Details of the similarities must be included. Attachment Five B, C, and D must be filled out completely for each of the three (3) projects provided. The Offeror must use these forms and fill them out completely to provide the Offeror requirement information. Failure to recreate the form accurately to include all fields, may lead to the rejection of the Offeror's Proposal.

- 6. 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.

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. 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.

The description of 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. Details such as the size of the contracting organizations, duration of involvement, level of responsibility, significant accomplishments, as well as a thorough description of the nature of the experience will be required for appropriate evaluation by the committee.

- 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.

When contacted, each reference must be willing to discuss the Offeror's previous performance on projects that were similar in their nature, size, and scope to the Work.

- 7. Staffing Plan. The Offeror must provide a staffing plan that identifies all key personnel required to do the Project and their responsibilities on the Project. The State is seeking a staffing plan that matches the proposed Project 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 key 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).
 - c. A discussion of the Offeror's ability to provide qualified replacement personnel.
 - d. The Offeror must submit a statement and chart that clearly indicate the time commitment of the proposed Work team, including the Work Manager, to this Work and any other, non-related work during the term of the Contract. The Offeror must also include a statement indicating to what extent, if any, the Work Manager may be used on other projects during the term of the Contract. The Evaluation Committee may reject any Proposal that commits the proposed Work Manager to other work during the term of the Contract if the committee believes that doing so will be detrimental to the Offeror's performance.
- 8. Personnel Profile Summary. This RFP includes Offeror Candidate Forms as Attachments Seven A, B and C. The Offeror must use these forms and fill them out completely for each key candidate referenced. 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.

All candidate requirements must be provided using the Offeror Candidate 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.)

For each reference the following information must be provided:

- 1. Candidate's Name.
 - 2. 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.
 - 3. 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.
 - 4. 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.
- 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. Must include copies of any pertinent licenses and/or certificates. (Refer to Attachment Seven B.)
 - c. Required Experience and Qualifications. This section must be completed to show how the candidate meets the required experience requirements. If any candidate does not meet the required 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.)

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.

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. 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.

9. Work Plan. Offeror must fully describe its current capacity, approach, methods, and specific work steps for doing the Work on this Project. The State encourages responses that demonstrate a thorough understanding of the nature of the Project and what the Contractor must do to complete the Project satisfactorily. To this end, the Offeror must submit for this section of the Proposal the Project plan that will be used to create a consistent, coherent management plan of action that will be used to guide the Project. The Project plan should include detail sufficient to give the State an understanding of the Offeror's knowledge and approach, including Gantt charts documenting the successful completion of all of the deliverables to complete the Project.

The Work Plan must demonstrate an understanding of the requirements of the project as described in Attachment One Part One Work Requirements. Describe the methodologies, processes and procedures it will utilize in the implementation and production of the Scope of Work. Provide a comprehensive Work Plan that gives ample description and detail as to how it proposes to accomplish this project and what resources are necessary to meet the deliverables.

The State seeks insightful responses that describe proven state-of-the-art methods. Recommended solutions should demonstrate that the Offeror would be prepared to immediately 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 plans).

Implementation Plan: The Offeror shall include its detailed Implementation Plan as a tabbed subsection to its Work Plan.

Additionally, the Offeror should address potential problem areas, recommended solutions to the problem areas, and any assumptions used in developing those solutions.

10. 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:
- Nature and extent of State support required in terms of staff roles, percentage of time available, etc.;
 - Assistance from State staff and the experience/qualification level required; and
 - 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.

11. 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.
12. Assumptions. The Offeror must provide a comprehensive listing of any and all of the assumptions that were made in preparing the proposal. If any assumption is unacceptable to the State, it may be cause for rejection of the Proposal. No assumptions shall be included regarding negotiation, terms and conditions, and requirements.
13. Proof of Insurance. In this section, the Offeror must provide the certificate of insurance required by the General Terms & Conditions, Attachment Three, Part Two. The policy may be written on an occurrence or claims made basis.
14. Payment Address. The Offeror must give the address to which payments to the Offeror will be sent.
15. Contract Performance. The Offeror must complete Attachment 8, Offeror Performance Form.
16. W-9 Form and Vendor Information Form. The Offeror must complete Federal Form W-9, Request for Taxpayer Identification Number and Certification form and the Vendor Information Form (OBM-5657) in their entirety. At least one (1) original of each form (signed in blue ink) must be submitted in the "original" copy of the Proposal. All other copies of the Proposal may contain duplicates of these completed forms. If a subsidiary company is involved, Offerors must have

an original W-9 and OBM-5657 for both the parent and subsidiary companies. These documents and directions can be found on the OBM Web site under the heading "Vendor Forms" at <http://www.ohiosharedservices.ohio.gov/Vendors.aspx>

The form requires either a Standard Industrial Classification (SIC) code or a North American Industry Classification System (NAICS) code. These codes can be found at: http://www.osha.gov/pls/imis/sic_manual.html for the SIC codes or <http://www.census.gov/eos/www/naics/> for the NAICS codes. Offeror shall follow instructions to determine the proper code.

17. 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 (OBG) at <http://obg.ohio.gov> to file for DMA pre-certification; if you are not already registered you must:

- a. Register with the Ohio Business Gateway (OBG) at:

<http://obg.ohio.gov>

- b. Review the Terrorist Exclusion List at:

http://www.publicsafety.ohio.gov/links/terrorist_exclusion_list.pdf

- c. Complete the Declaration Regarding Material Assistance/Non-Assistance to a Terrorist Organization (DMA) form at:

<http://www.publicsafety.ohio.gov/links/HLS0038.pdf>

Submit a hardcopy of this completed form with your RFP response. You must then return to the OBG and complete the form for online submission under "Electronic Filing." It is important that you submit the DMA form online at OBG and in hardcopy with the Proposal.

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.

18. AFFIRMATIVE ACTION. Before a contract can be awarded or renewed, an Affirmative Action Program Verification Form must be completed using:

<http://das.ohio.gov/Divisions/EqualOpportunity/AffirmativeActionProgramVerification/tabid/133/Default.aspx>.

Approved Affirmative Action Plans can be found by going to the Equal Opportunity Department's Web site:

<http://eodreporting.oit.ohio.gov/searchAffirmativeAction.aspx>

Copies of approved Affirmative Action plans shall be supplied by the Offeror as part of its Proposal or inclusion of an attestation to the fact that the Offeror has completed the process and is pending approval by the EOD office.

19. COST SUMMARY FORM. The Cost Summary Form (Attachment Nine) must be submitted with the Offeror's Proposal. The Offeror's total cost for the entire Project must be represented as the firm fixed price, for a not-to-exceed fiscal year cost. Offerors shall provide a comprehensive cost analysis; this cost must include all ancillary costs. All costs for furnishing the services must be included in the Cost Proposals as requested. No mention of or reference to, the Cost Proposals may be made in responses to the general, technical, performance, or support requirements of this RFP.

All prices, costs, and conditions outlined in the proposal shall remain fixed and valid for acceptance for 120 days, starting on the due date for proposals. The awarded contractor must hold the accepted prices and/or costs for the entire contract period. No price change shall be effective without prior written consent from DAS, OPS.

NOTE: Offeror's should ensure Cost Proposals are submitted separately from the Technical Proposals, as indicated the Proposal Submittal paragraph of this RFP (see Attachment Three). This information should not be included in the Technical Proposal.

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

20. Offeror Questionnaire from Supplement One. Questions and responses from Offerors will be placed in tab 20.

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

STATEMENT OF WORK. The RFP and the Offeror'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. 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, or expires without renewal, it will remain in effect until the Project is completed to the satisfaction of the State and the Contractor is paid. The current General Assembly cannot commit a future General Assembly to an expenditure. Therefore, this Contract will automatically expire at the end of each biennium. The State however, may renew this Contract in the next biennium by issuing written notice to the Contractor of the decision to do so. This expiration and renewal procedure will also apply to the end of any subsequent biennium during which the Project continues. 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 Work 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.

ECONOMIC PRICE ADJUSTMENT. The Contract prices(s) will remain firm throughout the initial term of the Contract. Thereafter, prior to Contract renewal, the Contractor may submit a request to adjust their price(s) to be effective on the effective date of the Contract's renewal. No price adjustment will be permitted prior to the effective date; on purchase orders that already being processed; or on purchase orders that have been filled.

Price increases must be supported by a general price increase in the cost of the materials/services rendered due to documented increases in the cost of related materials/services. Detailed documentation, to include a comparison list of the Contract items and proposed price adjustments must be submitted to support the requested adjustment. Supportive documentation should include, but is not limited to: copies of the old and the current price lists or similar documents which indicate the original base cost of the product to the Contractor and the corresponding adjustment, and/or copies of correspondence sent by the Contractor's supplier on the supplier's letterhead, which contain the above price information and explains the source of the adjusted costs in such areas as raw materials, freight, fuel or labor, etc.

Should there be a decrease in the cost of the finished product due to a general decline in the market or some other factor, the Contractor is responsible to notify DAS immediately. The price decrease adjustment will be incorporated into the Contract and will be effective on all purchase orders issued after the effective date of the decrease. If the price decrease is a temporary decrease, such should be noted on the invoice. In the event that the temporary decrease is revoked, the Contract pricing will be returned to the pricing in effect prior to the temporary decrease. Failure to comply with this provision will be considered as a default and will be subject to the Suspension and Termination section contained herein.

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 fifteen (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"). 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 Manager, 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:

1. All statutory provisions under the Revised Code, including Section 126.07, have been met.
2. All necessary funds are made available by the appropriate state agencies.
3. If required, approval of this Contract is given by the Controlling Board of Ohio.

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 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. 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. 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, 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. The Contractor shall provide the following insurance coverage at its own expense throughout the term of this Contract:

1. Workers' compensation insurance, as required by Ohio law, and, if some of the Project will be done outside Ohio, the laws of the appropriate state(s) where work on the Project will be done. The Contractor shall also maintain employer's liability insurance with at least a \$1,000,000 limit.
2. Commercial General Liability insurance coverage for bodily injury, personal injury, wrongful death, property damage. The defense cost shall be outside of the policy limits. Such policy shall designate the state of Ohio as an additional insured, as its interest may appear. The policy shall also be endorsed to include a blanket waiver of subrogation. At a minimum, the limits of the insurance shall be:

\$2,000,000 General Aggregate
\$2,000,000 Products/Completed Operations Aggregate
\$1,000,000 Per Occurrence Limit
\$1,000,000 Personal and Advertising Injury Limit
\$100,000 Fire Legal Liability
\$10,000 Medical Payments

The policy shall also be endorsed to provide the State with 30-day prior written notice of cancellation or material change to the policy. It is agreed upon that the Contractor's Commercial General Liability shall be primary over any other insurance coverage.

3. Commercial Automobile Liability insurance with a combined single limit of \$500,000.

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 Offeror's Proposal 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 its Proposal 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 its Proposal. 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 in the Proposal.

CONTRACT NON-COMPLIANCE. A primary goal of the Agency is to assure that the program receives high quality services from the Contractor. To this end, the Agency will work in partnership with the Contractor(s) to meet this goal. The partnership is defined by the Contract and it is important that communication between the Contractor and state agencies be open and supportive. Should contract non-compliance be an issue, the Agency shall make every effort to resolve the problem.

1. Non-Compliance Issues. Contractor non-compliance with the specifications and terms and conditions outlined in the Contract may result in the imposition of remedies as explained below in paragraph 2.

The Agency must be promptly notified of any procedural changes outside the technical requirements listed herein.

2. Resolution for Contract Non-Compliance. The Agency will be responsible for monitoring the Contractor's performance and compliance with the terms, conditions, and specifications of the contract.
 - a. For any infractions not immediately remedied by the Contractor, the Agency will notify DAS through a Complaint to Vendor (CTV) to help resolve the infraction.
 - b. DAS will impose upon the Contractor remedies for non-compliance regarding contract specifications and terms and conditions. Remedies imposed will be in proportion with the severity of the non-compliance and may be progressive in nature.

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.

CONTRACT REMEDIES.

- a. Actual Damages. Contractor is liable to the state of Ohio for all actual and direct damages caused by Contractor's default. The State may buy substitute supplies or services, from a third party, for those that were to be provided by Contractor. The State may recover the costs associated with acquiring substitute supplies or services, less any expenses or costs saved by 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, deliverable or milestone that is the subject of the default, for every day the default is not cured by Contractor.
- c. Deduction of Damages from Contract Price. The State 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, upon prior written notice being issued to the Contractor by the State.

REPRESENTATIVES. The State's representative under this Contract will be the person identified in 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 Manager under this Contract will be the person identified in the Proposal as the "Project Manager." The Project Manager will conduct all liaisons 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 Proposal 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 a written order 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.

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 (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. 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.

HANDLING OF THE STATE'S DATA. The Contractor must use due diligence to ensure computer and telecommunications systems and services involved in storing, using, or transmitting State data are secure and to protect that data from unauthorized disclosure, modification, or destruction. To accomplish this, the Contractor must:

1. Apply appropriate risk management techniques to ensure security for all sensitive data, including but not limited to any data identified as Confidential Information elsewhere in this Contract.
2. Ensure that its internal security policies, plans, and procedures address the basic security elements of confidentiality, integrity, and availability.
3. Maintain plans and policies that include methods to protect against security and integrity threats and vulnerabilities, as well as and detect and respond to those threats and vulnerabilities.
4. Maintain appropriate identification and authentication process for information systems and services associated with State data.
5. Maintain appropriate access control and authorization policies, plans, and procedures to protect system assets and other information resources associated with State data.
6. Implement and manage security audit logging on information systems, including computers and network devices.

The Contractor must maintain a robust boundary security capacity that incorporates generally recognized system hardening techniques. This includes determining which ports and services are required to support access to systems that hold State data, limiting access to only these points, and disable all others. To do this, the Contractor must use assets and techniques

such as properly configured firewalls, a demilitarized zone for handling public traffic, host-to-host management, Internet protocol specification for source and destination, strong authentication, encryption, packet filtering, activity logging, and implementation of system security fixes and patches as they become available. The Contractor must use two-factor authentication to limit access to systems that contain particularly sensitive State data, such as personally identifiable data.

Unless the State instructs the Contractor otherwise in writing, the Contractor must assume all State data is both confidential and critical for State operations, and the Contractor's security policies, plans, and procedure for the handling, storage, backup, access, and, if appropriate, destruction of that data must be commensurate to this level of sensitivity. As part of the Contractor's protection and control of access to and use of data, the Contractor must employ appropriate intrusion and attack prevention and detection capabilities. Those capabilities must track unauthorized access and attempts to access the State's data, as well as attacks on the Contractor's infrastructure associated with the State's data. Further, the Contractor must monitor and appropriately address information from its system tools used to prevent and detect unauthorized access to and attacks on the infrastructure associated with the State's data.

The Contractor must use appropriate measures to ensure that State's data is secure before transferring control of any systems or media on which State data is stored. The method of securing the data must be appropriate to the situation and may include erasure, destruction, or encryption of the data before transfer of control. The transfer of any such system or media must be reasonably necessary for the performance of the Contractor's obligations under this Contract.

The Contractor must have a business continuity plan in place. The Contractor must test and update the IT disaster recovery portion of its business continuity plan at least annually. The plan must address procedures for response to emergencies and other business interruptions. Part of the plan must address backing up and storing data at a location sufficiently remote from the facilities at which the Contractor maintains the State's data in case of loss of that data at the primary site. The plan also must address the rapid restoration, relocation, or replacement of resources associated with the State's data in the case of a disaster or other business interruption. The Contractor's business continuity plan must address short- and long-term restoration, relocation, or replacement of resources that will ensure the smooth continuation of operations related to the State's data. Such resources may include, among others, communications, supplies, transportation, space, power and environmental controls, documentation, people, data, software, and hardware. The Contractor also must provide for reviewing, testing, and adjusting the plan on an annual basis.

The Contractor may not allow the State's data to be loaded onto portable computing devices or portable storage components or media unless necessary to perform its obligations under this Contract properly. Even then, the Contractor may permit such only if adequate security measures are in place to ensure the integrity and security of the data. Those measures must include a policy on physical security for such devices to minimize the risks of theft and unauthorized access that includes a prohibition against viewing sensitive or confidential data in public or common areas. At a minimum, portable computing devices must have anti-virus software, personal firewalls, and system password protection. In addition, the State's data must be encrypted when stored on any portable computing or storage device or media or when transmitted from them across any data network. The Contractor also must maintain an accurate inventory of all such devices and the individuals to whom they are assigned.

Any encryption requirement identified in this provision must meet the Ohio standard as defined in Ohio IT standard ITS-SEC-01, "Data Encryption and Cryptography".

The Contractor must have reporting requirements for lost or stolen portable computing devices authorized for use with State data and must report any loss or theft of such to the State in writing as quickly as reasonably possible. The Contractor also must maintain an incident response capability for all security breaches involving State data whether involving mobile devices or media or not. The Contractor must detail this capability in a written policy that defines procedures for how the Contractor will detect, evaluate, and respond to adverse events that may indicate a breach or attempt to attack or access State data or the infrastructure associated with State data.

In case of an actual security breach that may have compromised State data, including but not loss or theft of devices or media, the Contractor must notify the State in writing of the breach within 24 hours of the Contractor becoming aware of the breach, and fully cooperate with the State to mitigate the consequences of such a breach. This includes any use or disclosure of the State data that is inconsistent with the terms of this Contract and of which the Contractor becomes aware, including but not limited to, any discovery of a use or disclosure that is not consistent with this Contract by an employee, agent, or subcontractor of the Contractor.

The Contractor must give the State full access to the details of the breach and assist the State in making any notifications to potentially affected people and organizations that the State deems are necessary or appropriate. The Contractor must document all such incidents, including its response to them, and make that documentation available to the State on request. In addition to any other liability under this Contract related to the Contractor's improper disclosure of State data, and regardless of any limitation on liability of any kind in this Contract, the Contractor will be responsible for acquiring one year's identity theft protection service on behalf of any individual or entity whose personally identifiable information is compromised while it is in the Contractor's possession.

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.
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.

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 infringement 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 changes 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 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:

1. Cause the Equipment to perform as required, or, if that is not commercially practicable, then;
2. 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. The Contractor will indemnify the State for any and all claims, damages, law suits, costs, judgments, expenses, and any other liabilities resulting from bodily injury to any person (including injury resulting in death) or damage to property that may arise out of or are related to Contractor's performance under this Contract, providing such bodily injury or property damage is due to the negligence of the Contractor, its employees, agents, or subcontractors.

The Contractor will also indemnify the State against any claim of infringement of a copyright, patent, trade secret, or similar intellectual property rights based on the State's proper use of any Deliverable under this Contract. This obligation of indemnification will not apply where the State has modified or misused the Deliverable and the claim of infringement, is based on the modification or misuse. The State agrees to give the Contractor notice of any such claim as soon as reasonably practicable and to give the Contractor the authority to settle or otherwise defend any such claim upon consultation with and approval by the Office of the State Attorney General. If a successful claim of infringement is made, or if the Contractor reasonably believes that an infringement claim that is pending may actually succeed, the Contractor will take one (1) of the following four (4) actions:

1. Modify the Deliverable so that 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.
4. Remove the Deliverable and refund the fee the State paid for the Deliverable and the fee for any other Deliverable that required the availability of the infringing Deliverable for it to be useful to the State.

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.

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.

AMENDMENTS – 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. 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. The Contractor will take steps to ensure that such a person does not participate in any action affecting the work under this Contract. 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.

DECLARATION OF MATERIAL ASSISTANCE. In accordance with R.C. 2909.33(C), I certify that I meet one of the following conditions:

- A. I have not received, nor will receive as a result of this contract, an aggregate amount greater than one hundred thousand dollars (\$100,000) in business or funding, excluding personal benefits, from the state, instrumentalities, or political subdivisions during the current fiscal year;

Or

- B. 1. I have received, or will receive as a result of this contract, an aggregate amount greater than one hundred thousand dollars (\$100,000) in business or funding, excluding personal benefits, from the state, instrumentalities, or political subdivisions during the current fiscal year.

And

2. I have either pre-certified with the Office of Budget and Management, or have completed the Declaration of Material Assistance form as certifying that I have not provided material assistance to any organization on the Terrorist Exclusion List, as that term is defined in R.C. 2909.21.

EQUAL EMPLOYMENT OPPORTUNITY. The Contractor will comply with all state and federal laws regarding equal employment opportunity, including Ohio Revised Code Section 125.111 and all related Executive Orders.

Before a contract can be awarded or renewed, an Affirmative Action Program Verification Form must be completed using:

<http://das.ohio.gov/Divisions/EqualOpportunity/AffirmativeActionProgramVerification/tabid/133/Default.aspx>.

Approved Affirmative Action Plans can be found by going to the Equal Opportunity Department's Web site:

<http://eodreporting.oit.ohio.gov/searchAffirmativeAction.aspx>

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, Ohio.

ATTACHMENT FOUR
CONTRACT

This Contract, which results from RFP CSP903610, entitled State of Ohio, Employee Long Term Care Benefit Program is between the state of Ohio, through the Department of Administrative Services, Office of Procurement Services, on behalf of the Benefits Administration Services Office (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 (1) 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 May 3, 2010 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.

_____	Department of Administrative Services
(Contractor)	(State of Ohio Agency)
_____	_____
(Signature)	(Signature)
_____	Hugh Quill
(Printed Name)	(Printed Name)
_____	Director, Department of Administrative Services
(Title)	(Title)
_____	_____
(Date)	(Date)

ATTACHMENT FIVE A
OFFEROR PROFILE FORM

Offeror's Legal Name:	Address:	
Phone Number:	Fax Number:	E-mail Address:
Home Office Location:	Date Established:	Ownership:
Firm Leadership:	Number of Employees:	Number of Employees Directly involved in Tasks Directly Related to the Work:
Additional Background Information:		

ATTACHMENT FIVE B
OFFEROR PRIOR PROJECT FORM

Customer Company Name:	Contact:	
Address:	Phone Number:	E-mail:
Project Name:	Beginning Date of Project (Month/Year):	Ending Date of Project (Month/Year):

The Offeror must document previous experience and expertise. These projects must be of similar size, scope and nature. Details of the similarities must be included. Attachment Five B, C, and D must be filled out completely for each of the three (3) projects provided. The Offeror must use these forms and fill them out completely to provide the Offeror requirement information. Failure to recreate the form accurately to include all fields, may lead to the rejection of the Offeror's Proposal.

ATTACHMENT FIVE C
OFFEROR PRIOR PROJECT FORM

Customer Company Name:	Contact:	
Address:	Phone Number:	E-mail:
Project Name:	Beginning Date of Project (Month/Year):	Ending Date of Project (Month/Year):

The Offeror must document previous experience and expertise. These projects must be of similar size, scope and nature. Details of the similarities must be included. Attachment Five B, C, and D must be filled out completely for each of the three (3) projects provided. The Offeror must use these forms and fill them out completely to provide the Offeror requirement information. Failure to recreate the form accurately to include all fields, may lead to the rejection of the Offeror's Proposal.

ATTACHMENT FIVE D
OFFEROR PRIOR PROJECT FORM

Customer Company Name:	Contact:	
Address:	Phone Number:	E-mail:
Project Name:	Beginning Date of Project (Month/Year):	Ending Date of Project (Month/Year):

The Offeror must document previous experience and expertise. These projects must be of similar size, scope and nature. Details of the similarities must be included. Attachment Five B, C, and D must be filled out completely for each of the three (3) projects provided. The Offeror must use these forms and fill them out completely to provide the Offeror requirement information. Failure to recreate the form accurately to include all fields, may lead to the rejection of the Offeror's Proposal.

ATTACHMENT SIX
OFFEROR REFERENCES

Four (4) professional references who have received services from the Offeror in the past five (5) years

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

ATTACHMENT SIX - Continued
OFFEROR REFERENCES

Four (4) professional references who have received services from the Offeror in the past five (5) years

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

ATTACHMENT SEVEN A
OFFEROR'S CANDIDATE REFERENCES

Candidate's Name: _____

Candidate's Proposed Position: _____

Three (3) professional references who have received services from the candidate in the past three (3) years

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 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 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	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	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	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 five thousand dollars (\$5,000), 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.
	Has trading in the stock of the company ever been suspended? If so provide 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
COST SUMMARY FORM

UNSPSC CATEGORY CODE: 85000000 Healthcare Services
 85101700 Health Administration Services

DAS069 CSP903610 LTC RFP Cost Summary Form A					
Rates for a tax Qualified Service Plan Per \$1 – 3 Year HHC. The following table indicated the rates per \$1 of the Daily Benefit Amount. Daily Benefit Amounts range from \$60 to \$300. The plan pays 100% of the expenses up to 100% of the Daily Benefit Amount for care received in a nursing home (HN) facility. The plan pays 100% of the expenses up to the Daily Benefit Amount times the Assisted Living Facility (ALF) percentage for care received in an ALF. The plan pays 100% of the expenses up to the Daily Benefit Amount times the Home Care (HC) percentage for care received in a home unit/adult day care center. The age of the enrollee determines the monthly contribution.					
Commissions:	Excluded	Excluded	Excluded	Excluded	Totals
Benefit Trigger:	2 of 6 ADLs				
NH/ALF/HC:	100%/100%/50%	100%/100%/50%	100%/100%/50%	100%/100%/50%	
Waiting Period:	90 days	90 days	90 days	90 days	
Lifetime Maximum:	3 years	3 years	3 years	3 years	
Inflation Protection:	Future GI Increase	Future GI Increase	Future GI Increase	Future GI Increase	
Informal Care:	25% for 50 days				
Respite Care:	50% for 21 days				
Transitional Care:	3X DBA	3X DBA	3X DBA	3X DBA	
Informal Caregiver Training:	3X DBA	3X DBA	3X DBA	3X DBA	
Nonforfeiture:	No Nonforfeiture	No Nonforfeiture	Benefit Bank	Benefit Bank	
Contribution:	Excluded	Included	Excluded	Included	
AGE					
20 - 35					
36 – 50					
51 – 65					
66+					
Totals					

All costs must be in U.S. Dollars.
 The State will not be responsible for any costs not identified.
 There will be no additional reimbursement for travel or other related expenses.

Continued on next page.

ATTACHMENT NINE – A Continued
COST SUMMARY FORM

DAS069 CSP903610 LTC RFP Cost Summary Form A

Rates for a tax Qualified Service Plan Per \$1 – 3 Year HHC.

The following table indicated the rates per \$1 of the Daily Benefit Amount.

Daily Benefit Amounts range from \$60 to \$300.

The plan pays 100% of the expenses up to 100% of the Daily Benefit Amount for care received in a nursing home (HN) facility.

The plan pays 100% of the expenses up to the Daily Benefit Amount times the Assisted Living Facility (ALF) percentage for care received in an ALF.

The plan pays 100% of the expenses up to the Daily Benefit Amount times the Home Care (HC) percentage for care received in a home unit/adult day care center.

The age of the enrollee determines the monthly contribution.

Commissions:	Excluded	Excluded	Excluded	Excluded	
Benefit Trigger:	2 of 6 ADLs	2 of 6 ADLs	2 of 6 ADLs	2 of 6 ADLs	
NH/ALF/HC:	100%/100%/50%	100%/100%/50%	100%/100%/50%	100%/100%/50%	
Waiting Period:	90 days	90 days	90 days	90 days	
Lifetime Maximum:	3 years	3 years	3 years	3 years	
Inflation Protection:	Auto Inflation	Auto Inflation	Auto Inflation	Auto Inflation	
Informal Care:	25% for 50 days	25% for 50 days	25% for 50 days	25% for 50 days	
Respite Care:	50% for 21 days	50% for 21 days	50% for 21 days	50% for 21 days	
Transitional Care:	3X DBA	3X DBA	3X DBA	3X DBA	
Informal Caregiver Training:	3X DBA	3X DBA	3X DBA	3X DBA	
Nonforfeiture:	No Nonforfeiture	No Nonforfeiture	Benefit Bank	Benefit Bank	
Contribution:	Excluded	Included	Excluded	Included	Totals
AGE					
20 - 35					
36 – 50					
51 – 65					
66+					
Totals					

All costs must be in U.S. Dollars.

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

There will be no additional reimbursement for travel or other related expenses.

**ATTACHMENT NINE – B
 COST SUMMARY FORM**

DAS069 CSP903610 LTC RFP Cost Summary Form B

Rates for a tax Qualified Service Plan Per \$1 – 5 Year HHC.

The following table indicated the rates per \$1 of the Daily Benefit Amount.

Daily Benefit Amounts range from \$60 to \$300.

The plan pays 100% of the expenses up to 100% of the Daily Benefit Amount for care received in a nursing home (HN) facility.

The plan pays 100% of the expenses up to the Daily Benefit Amount times the Assisted Living Facility (ALF) percentage for care received in an ALF.

The plan pays 100% of the expenses up to the Daily Benefit Amount times the Home Care (HC) percentage for care received in a home unit/adult day care center.

The age of the enrollee determines the monthly contribution.

Commissions:	Excluded	Excluded	Excluded	Excluded	Totals
Benefit Trigger:	2 of 6 ADLs				
NH/ALF/HC:	100%/100%/50%	100%/100%/50%	100%/100%/50%	100%/100%/50%	
Waiting Period:	90 days	90 days	90 days	90 days	
Lifetime Maximum:	5 years	5 years	5 years	5 years	
Inflation Protection:	Future GI Increase	Future GI Increase	Future GI Increase	Future GI Increase	
Informal Care:	25% for 50 days				
Respite Care:	50% for 21 days				
Transitional Care:	3X DBA	3X DBA	3X DBA	3X DBA	
Informal Caregiver Training:	3X DBA	3X DBA	3X DBA	3X DBA	
Nonforfeiture:	No Nonforfeiture	No Nonforfeiture	Benefit Bank	Benefit Bank	
Contribution:	Excluded	Included	Excluded	Included	
AGE					
20 - 35					
36 – 50					
51 – 65					
66+					
Totals					

All costs must be in U.S. Dollars.

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

There will be no additional reimbursement for travel or other related expenses.

**ATTACHMENT NINE – B Continued
 COST SUMMARY FORM**

DAS069 CSP903610 LTC RFP Cost Summary Form B

Rates for a tax Qualified Service Plan Per \$1 – 5 Year HHC.

The following table indicated the rates per \$1 of the Daily Benefit Amount.

Daily Benefit Amounts range from \$60 to \$300.

The plan pays 100% of the expenses up to 100% of the Daily Benefit Amount for care received in a nursing home (HN) facility.

The plan pays 100% of the expenses up to the Daily Benefit Amount times the Assisted Living Facility (ALF) percentage for care received in an ALF.

The plan pays 100% of the expenses up to the Daily Benefit Amount times the Home Care (HC) percentage for care received in a home unit/adult day care center.

The age of the enrollee determines the monthly contribution.

Commissions:	Excluded	Excluded	Excluded	Excluded	
Benefit Trigger:	2 of 6 ADLs	2 of 6 ADLs	2 of 6 ADLs	2 of 6 ADLs	
NH/ALF/HC:	100%/100%/50%	100%/100%/50%	100%/100%/50%	100%/100%/50%	
Waiting Period:	90 days	90 days	90 days	90 days	
Lifetime Maximum:	5 years	5 years	5 years	5 years	
Inflation Protection:	Auto Inflation	Auto Inflation	Auto Inflation	Auto Inflation	
Informal Care:	25% for 50 days	25% for 50 days	25% for 50 days	25% for 50 days	
Respite Care:	50% for 21 days	50% for 21 days	50% for 21 days	50% for 21 days	
Transitional Care:	3X DBA	3X DBA	3X DBA	3X DBA	
Informal Caregiver Training:	3X DBA	3X DBA	3X DBA	3X DBA	
Nonforfeiture:	No Nonforfeiture	No Nonforfeiture	Benefit Bank	Benefit Bank	
Contribution:	Excluded	Included	Excluded	Included	Totals
AGE					
20 - 35					
36 – 50					
51 – 65					
66+					
Totals					

All costs must be in U.S. Dollars.

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

There will be no additional reimbursement for travel or other related expenses.

SUPPLEMENT ONE
OFFEROR QUESTIONNAIRE

QUESTIONNAIRE SECTION ONE

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM – GENERAL INFORMATION

1. To what large employer accounts (>5,000 eligible lives) have you made enrollment commitments for the first two (2) quarters of 2010? How will these commitments affect your ability to provide priority service to the State of Ohio?

Offeror Response:

2. Provide the contractual definitions for the following:

- a. Activities of daily living
- b. Premium waiver
- c. Covered nursing home facilities
- d. Covered home health services and providers
- e. Cognitive impairment
- f. Guaranteed issue
- g. Guaranteed renewability
- h. Alternative plan of care
- i. Assisted living facility
- j. Home care-skilled (home health care)
- k. Adult day care
- l. Respite care
- m. Case management
- n. Hospice-custodial
- o. Eldercare information and referral
- p. Bed reservation

Offeror Response:

3. Provide your proposed list of limitations and exclusions.

Offeror Response:

QUESTIONNAIRE SECTION ONE

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM – GENERAL INFORMATION (cont'd)

4. Please provide your coordination of benefits provision and describe coordination of benefits administration.

Offeror Response:

5. Please indicate whether or not your product(s) cover services provided in foreign countries such as Canada. Under what circumstances, for what length of time, and with what level of benefits?

Offeror Response:

6. Describe in detail any changes you would propose to the state of Ohio LTC plan design, education and enrollment approach, or other features that would improve the marketability of this Program to employees and retirees. Explain your reasons for these proposed changes.

Offeror Response:

7. Confirm that your products provide for guaranteed renewal of policies.

Offeror Response:

8. Please indicate whether or not non-professional staff (i.e., family) can be trained to provide home health services. Does your product(s) provide for compensation for trained non-professional personnel? What level of benefits would be available for caregiver training and non-professional services?

Offeror Response:

QUESTIONNAIRE SECTION ONE

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM – GENERAL INFORMATION (cont'd)

9. Please indicate what elimination period options are provided under your plans.

Offeror Response:

10. Describe your proposed system for distributing printed materials to the state of Ohio's locations for further distribution, by the State, to employees.

Offeror Response:

11. Do you intend to provide a toll-free number for prospective LTC applicants during the enrollment period? Will the toll-free number continue to be available after the enrollment period? What will be the hours of operation for the toll-free line?

Offeror Response:

12. What do you recommend for ongoing communications? Please provide or cite examples.

Offeror Response:

13. Confirm your understanding that education and enrollment meetings and services will be conducted by salaried or contracted representatives of the selected bidder. Commissioned enrollment personnel will not be permitted.

Offeror Response:

14. Describe the major features of your website in terms of general education, premium calculations and enrollment.

Offeror Response:

QUESTIONNAIRE SECTION ONE CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM – GENERAL INFORMATION (cont'd)

15. What level of assistance will you require from the state of Ohio for the initial enrollment?

Offeror Response:

16. Provide sample materials previously used for group LTC enrollments, including brochures, plan booklets, videotapes, enrollment and claims forms, identification cards, deduction authorization forms, interactive voice response enrollment. Describe to what degree you would be willing to customize these materials for the state of Ohio at no additional cost. Please note any special customization services and the associated charges.

Offeror Response:

17. Provide a detailed Work Plan you would propose to implement the state of Ohio LTC Program. Include all key activities and indicate the person(s) on your team who would be responsible for these activities. Key activities should include, but not be limited to the following:

- a. Initial planning sessions
- b. Coordination with state of Ohio staff
- c. Periodic update meetings with state of Ohio staff
- d. Customer service training
- e. Communications development and production
- f. 800-number telephone service availability
- g. Web site
- h. Contract development and execution
- i. Establishment and testing of payroll interface
- j. Scheduling presentations
- k. Initial enrollment

Offeror Response:

QUESTIONNAIRE SECTION TWO CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - OFFEROR PROFILE INFORMATION

1. Describe your non-forfeiture (coverage-at-lapse) provision, and provide a financial example.

Offeror Response:

2. Describe the automatic inflation protection feature. Is there a maximum inflation cap? Provide a financial example of this feature.

Offeror Response:

3. Under what conditions may a participant switch to a program with an automatic inflation protection feature?

Offeror Response:

4. If the maximum lifetime benefit does not apply to all covered services, which services are limited?

Offeror Response:

5. Describe the waiting elimination period. Do covered services need to be received during this period? Do the days need to be consecutive?

Offeror Response:

6. Is there a transition benefit (e.g., five (5) times daily benefit amount, payable once per lifetime)? Describe the benefit and indicate whether it reduces the maximum lifetime benefit.

Offeror Response:

QUESTIONNAIRE SECTION TWO

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - OFFEROR PROFILE
INFORMATION

7. Do you offer a nursing home bed reservation provision? If so, please describe

Offeror Response:

7. Do you offer LTC information and referral services as part of your benefit package? Please describe these services. Are these services available to employees or dependents who are not participating in the long term care insurance program?

Offeror Response:

8. How often can claimants access care-planning services? How is this service accessed? What is the annual or lifetime limit on provision of case management services that is included in your rates?

Offeror Response:

10. Long term care premiums were previously payroll deducted. Do you offer premiums on a payroll deduction basis? If so, Is there a minimum enrollment requirement for a payroll deduction offering? If so, what is the minimum enrollment requirement and is there a charge associated with a payroll deduction offering? If so, what is the charge and is the charge included in the total cost?

Offeror Response:

11. Describe your premium waiver provision.

Offeror Response:

QUESTIONNAIRE SECTION TWO CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - OFFEROR PROFILE INFORMATION

12. Describe your return of premium on death provision.

Offeror Response:

13. Do you have a preferred list of providers? If so, how are providers eligible for inclusion on the list? What screening and credentialing is conducted? How are participants advised of this list? What provider types (Nursing homes, Alzheimer's facilities, Assisted living facilities, Home health care nurses, Home health care aides, Adult day care facilities, other)) are contracted and are there any discounts negotiated?

Offeror Response:

14. Provide a listing of contracted providers in Ohio, including name, city and type of provider. This listing should be provided on paper and in an electronic format that will allow analysis (e.g., spreadsheet, data base, via internet or e-mail).

Offeror Response:

15. Do you own providers? What discounts does the plan receive and how do you pass the discounts along to the client or participants?

Offeror Response:

16. Can the participant choose the facility?

Offeror Response:

QUESTIONNAIRE SECTION TWO

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - OFFEROR PROFILE INFORMATION

17. What criteria do you apply for including a facility/service in your list of approved providers for long term care benefits?
Do you limit the list of approved facilities? If so, how?

Offeror Response:

18. How do you assure quality in the care provided? How would you communicate with the State concerning the quality of care provided under this Program? How do you inform policy holders of availability of new services or providers?

Offeror Response:

19. Under what circumstances may a participant increase or decrease his/her daily benefit level?

Offeror Response:

20. What restrictions, if any, will you place on a participant who purchases a plan with a two-year maximum benefit, for example, and later wants to increase coverage to a five-year maximum?

Offeror Response:

21. May a participant trade or switch benefits among various benefit components (e.g. trade nursing home day for other services)?

Offeror Response:

QUESTIONNAIRE SECTION TWO

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - OFFEROR PROFILE INFORMATION

22. What key features distinguish your LTC insurance product from your competitors and what do you perceive as your competitive advantages? Who do you view as your primary competitors for group long-term care insurance?

Offeror Response:

23. What proof or documentation do you require to establish eligibility?

Offeror Response:

24. Describe your process for enrollment of participants. What is your average turnaround time for processing an application for coverage? What is the timing for processing changes of coverage?

Offeror Response:

25. What percentages of applications are approved and denied? Provide a list of the top reasons for denial of coverage including a percentage for each reason. The list should represent at least 75% of all denials.

Offeror Response:

26. What is your anticipated and average actual turnaround time on each of the following types of LOC claims: Nursing home, Home Health care and Nursing aides?

Offeror Response:

QUESTIONNAIRE SECTION TWO

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - OFFEROR PROFILE INFORMATION

27. Describe your claims payment process from receipt of claim to issuance of check. Discuss how the process is supervised and how you maintain quality control of the process. Is there any difference for in-state vs. out-of-state vs. out-of-country requests?

Offeror Response:

28. Describe in detail the grievance and claims appeals processes used for your long term care product, including timing, people involved, percent resolved on first appeal and steps beyond the first appeal to final resolution. Describe the means by which customers will be able to express dissatisfaction with any of the services provided. Do you monitor complaints and conduct follow-up surveys?

Offeror Response:

29. Do you conduct internal audits of claims processed? What percent of claims are audited, who conducts the audits and what items does the auditor review? Provide a summary of the most recent internal audit. Do you conduct external audits of claims processed? What processes are audited? Provide a summary of the results of the most recent external audit.

Offeror Response:

30. Does your organization practice post-claims underwriting? Are medical history checks only performed upon receipt of a claim, and if so, if the insured omitted any relevant information or misstated an item on the original application, could a claim be refused? Under what circumstances could a claim be refused? Describe other possible reasons for the non-payment of benefits.

Offeror Response:

QUESTIONNAIRE SECTION TWO

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - OFFEROR PROFILE INFORMATION

31. Describe how you will provide customer service to the State of Ohio and its participants.

Offeror Response:

32. How many customer service representatives will be dedicated to the state of Ohio? Will these representatives also provide service to other clients? If so, how many clients and what size?

Offeror Response:

33. What is the total number of customer service representatives for your long term care product?

Offeror Response:

34. Where will the customer service center be located for the state of Ohio? Provide an address, telephone number and contact at the customer service center.

Offeror Response:

35. What training do your customer service representatives receive?

Offeror Response:

QUESTIONNAIRE SECTION TWO

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - OFFEROR PROFILE INFORMATION

36. What are the hours of your customer service center? How do you handle evening and weekend calls? What services are available for the hearing impaired?

Offeror Response:

37. How are calls monitored for quality, courtesy and accuracy? When can members access a live person?

Offeror Response:

38. Describe how you communicate with employees and participants in the program.

Offeror Response:

39. Provide examples of employee communication materials to include enrollment and plan information, summary of plan provisions, outline of coverage, enrollment certificate, and other printed publications or video presentations.

Offeror Response:

40. Provide examples of application for enrollment, medical questionnaire to be used in conjunction with enrollment, sample claim form, sample EOB, standard letters used in communicating with individuals who are in a claim status and sample communication materials to be distributed to all participants including procedures for obtaining long term care benefits, claim forms and address changes.

Offeror Response:

QUESTIONNAIRE SECTION TWO

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - OFFEROR PROFILE INFORMATION

41. How do you provide information to participants on providers by area and on the cost of care?

Offeror Response:

42. What do you do to communicate with employees after the initial enrollment?

Offeror Response:

43. Describe your strategy for encouraging participation by State employees and other eligible Individuals.

Offeror Response:

44. List and describe your standard reports (including frequency). Include samples of each report.

Offeror Response:

45. What reports do you provide to participants in the program?

Offeror Response:

QUESTIONNAIRE SECTION TWO

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - OFFEROR PROFILE INFORMATION

46. Describe your computer system security measures. Describe the system backup and disaster recovery procedures for your long term care systems? How often is the system tested? When was the system last tested? What were the results? What system down time have you experienced over the latest 12 months?

Offeror Response:

47. Are you currently a certified long term care Partnership provider? Are you seeking certification?

Offeror Response:

QUESTIONNAIRE SECTION THREE

CSP903610 DAS069

STATE OF OHIO EMPLOYEE LONG TERM CARE (LTC) BENEFIT PROGRAM - PERFORMANCE STANDARDS.

Offerors must attest to the fact that they have the ability to meet the standards identified in this table.

1. Average speed of answers within 20 seconds monthly basis.

Offeror Response:

2. Monthly call abandonment rate of less than 3%.

Offer Response:

3. No busy signals.

Offeror Response:

4. Next business day call backs on messages left after hours (5:00 p. m. EST).

Offeror Response:

5. Quality assurance surveys to be sent to 15% of all individuals calling the 800 line during enrollment periods.

Offeror Response:

6. Phone reports and results of surveys to be provided to the state of Ohio on an as-requested bases.

Offeror Response:

7. Resolution of 95% of participant inquiries within 72 hours and resolution of remaining 5% of participant inquires within 72 hours

Offeror Response:

UNDERWRITING

1. All clean applications reviewed and initial action taken within 15 business days of receipt.

Offeror Response:

2. Determination made on all applications within ten (10) business days of receipt of all necessary information.

Offeror Response:

CLAIMS/BENEFITS AUTHORIZATION

1. Make a determination on all requests for benefits within ten (10) working days of receipt of necessary information.

Offeror Response:

2. Process all claims and written inquires within ten (10) working days of receipt of all necessary information.

Offeror Response:

3. Maintain an overall accuracy rate for claims payment of 99%.

Offeror Response:

SUPPLEMENT TWO
AETNA FUND TRANSFER APPROACH

The purpose of this document is to clarify Aetna's fund transfer methodology and rationale.

I. Replacement of Aetna Disability Plan With a Service Reimbursement Plan

Pursuant to the terms of many of Aetna's group long term care insurance policies, Aetna is contractually obligated to transfer funds to an assuming carrier should Aetna determine that the Aetna policy is being replaced by a "like" policy. Due to the industry's general movement away from disability model plan designs and towards service model plan designs, it is expected that Aetna's disability model policy will most likely be replaced by a policy offering a service reimbursement plan design. Such replacement will not be considered a "like" policy replacement. (More detail regarding the determination of a "like" policy is provided in Attachment I.) As such, Aetna would have no contractual obligation to provide any type of fund transfer to a successor LTC carrier.

However, Aetna may, on an extra-contractual basis, be willing to provide a fund transfer should the assuming carrier offer a service reimbursement policy that is a "like" policy in all other respects. Such a replacement plan will be referenced below as an "Equivalent Service Plan".

Such an extra-contractual fund transfer will generally be calculated as follows for each relevant segment of coverage, using best estimate assumptions for an Equivalent Service Plan:

- a. Calculate an original issue age net level premium. The net level premium is the present value of benefits, as of the issue date, divided by an annuity factor.
- b. Calculate the expected present value of the stream of future net premiums as of the date of transfer to the assuming carrier.
- c. Calculate the expected present value of benefits as of the date of the transfer to the assuming carrier.
- d. Subtract the result of step 2 from the result of step 3. This amount is then adjusted to address potential anti-selection for Aetna's residual risk.

We believe this "Prospective Method" approach generates a transfer amount that is reasonable at both the aggregate case level and individual member level, relative to the risk ceded. The general rationale for this approach includes the following points:

- a. Transferring from a disability model plan to a service reimbursement plan creates potential for anti-selective residual risk for Aetna.
- b. Aetna may be limited in its ability to recover lost sufficiency due to this anti-selection.
- c. Aetna's group LTC policy provides for a funds transfer only where the Aetna policy is replaced by a "like" policy, so in the absence of such a replacement, no funds transfer would be available on a contractual basis.
- d. The approach selected avoids the extremes of (a) transferring nothing and (b) transferring an amount that could plausibly jeopardize the viability of the residual book of business.

II. Replacement of Aetna Service Reimbursement Plan with Another Service Reimbursement Plan

Aetna anticipates that where the Aetna policy being replaced has a service reimbursement model plan design, assuming carriers will be able to provide a "like" policy. As explained above, if a "like" policy is not provided, then Aetna is not obligated to provide any funds transfer, but may be willing to provide a funds transfer on an extra-contractual basis.

In the event of "like" policy replacement, Aetna will calculate the transfer amount using the same procedure referenced in Section I above (the "Prospective Method"), subject to the following floor amounts, as required by relevant policy/certificate language. The following calculations are performed separately for each segment of coverage:

- a. The Guaranteed Minimum Fund (GMF). The value of this fund is calculated from contractual factors which vary by issue age, plan design and duration. The appropriate factor for each transfer eligible member is multiplied by the maximum daily benefit amount, and the results summed over all members to get the GMF. Not all certificates reference a GMF calculation, and not all policies contain a GMF table; therefore, this floor will not apply to all fund transfers.
- b. The Employer Aggregate Fund (EAF). The EAF is calculated by a retrospective fund accumulation. For each transfer eligible member, Aetna will calculate the balance of a fund beginning from inception of coverage as follows:
 - 1) Accumulate gross premium.
 - 2) Withdraw expense and profit charges.
 - 3) Withdraw expected claim costs.
 - 4) Accumulate for interest.
 - 5) Accumulate for survivorship. The accumulation is done using assumed pricing lapse and mortality rates.

SUPPLEMENT TWO - continued
AETNA FUND TRANSFER APPROACH

These amounts are summed for each active member to get the EAF. See Attachment II for further details.

The preceding methods will be used to determine the total funds transfer available should all transfer eligible individuals elect replacement coverage. The amount available at the individual level, as actual transfers occur, will be determined as the member's pro rata share of the total based on the Prospective Method.

We believe this approach generates a transfer amount that is reasonable at both the aggregate case level and individual member level, relative to the risk ceded. The general rationale for this approach includes the following points:

- a. The EAF creates anomalous values relative to the aggregate risk ceded. For many cases, the EAF produces an amount below the Prospective Method, which is intended to address the future liability for transferring individuals based on current best estimate assumptions.
- b. The EAF also creates anomalous values at the individual level. For example, for male and female insured, similar in all other respects, the EAF method does not cede more for the higher female liability. This is the rationale for using the Prospective Method, instead of the Member Fund, to allocate transfer amounts at the individual level.
- c. The EAF language in the contract provides for some interpretive latitude by Aetna. The approach outlined in Section IIB above and detailed in Attachment II is a reasonable interpretation of this language.
- d. Despite the drawbacks of the EAF approach as cited above, its inclusion in the contract constitutes a contractual obligation. Hence, for those cases where the EAF provides for a higher amount than the Prospective Method in aggregate, Aetna will recognize the total EAF in determining the fund transfer amount.
- e. Similarly, the GMF floor will be applied where contractually required.

III. Other Comments

- a. In the event that a plan sponsor engages with a third party to review the Aetna transfer approach, this document and its attachments can be made available.
- b. Aetna representatives will be available to discuss this document, to assure consistent understanding.
- c. Some policies or certificates may include provision for a Market Value Adjustment. The final fund transfer amount will be subject to this Market Value Adjustment, as appropriate. In the event of an extra-contractual fund transfer, Aetna will determine if the application of a Market Value Adjustment is appropriate.

Attachment I – Determination of a “Like” Policy

1. The following plan design elements are used for testing for a “like” policy:
 - a. Service Reimbursement model and Indemnity model are not “like” coverage compared to an Aetna Disability model plan; however, Aetna may consider some level of funds transfer on an extra-contractual basis.
 - b. Self-insured funding model is not “like” coverage compared to an Aetna Service Reimbursement fully-insured model or an Aetna Disability fully-insured model.
 - c. Comprehensive coverage: replacement coverage should not be limited to only Nursing Home or Home Care benefits.
 - d. Lifetime Maximum: replacement coverage should offer an equal or richer benefit. Existing enrollees should be allowed to transfer at their current LTM.
 - e. Daily Benefit Amount: replacement coverage should offer an equal or richer benefit. Existing enrollees should be allowed to transfer at their current DBA.
 - f. Deductible Period: replacement coverage should offer an equal or richer benefit. Existing enrollees should be allowed to transfer at their current Deductible Period.
 - g. Inflation Protection Option: replacement coverage should offer an equal or richer benefit. Existing enrollees should be allowed to transfer with their current Inflation Protection Option.
 - h. Benefit percentages applicable to Assisted Living and Home Care should each be equal to or greater than current coverage
 - i. For each Class of Eligible, existing enrollees should be allowed to transfer their coverage:
 - 1) No Medical Underwriting requirement
 - 2) Pre-Existing exclusion should be waived
 - 3) Actively at Work / Non-Confinement exclusion should be waived
2. The entire funds transfer amount is used to reduce the premiums that transferring members would otherwise pay.
3. The following elements are not used to test for a “like” policy but may be important features to compare when replacing your program.

SUPPLEMENT TWO - continued
AETNA FUND TRANSFER APPROACH

Return of Contribution, Non-Forfeiture Option

NOTE: Replacement coverage must meet all of the above criteria for “like” policy classification as determined by Aetna in order to qualify for contractual funds transfer. If all of these criteria are not met, generally no funds will be available for transfer, although in some circumstances Aetna may be willing to consider some amount of extra-contractual transfer.

Glossary

Fund_n = The fund balance as of the end of the n-th policy year

I_n = the size of a theoretical cohort at time n. I_n is calculated by decrementing for lapsation, mortality, and claim incidence; Aetna uses its GAAP valuation rates of decrement in this calculation. The term (I_n÷I_{n+1}) is the factor used to accumulate for survivorship from the end of the n-th to the end of the n+1st year.

GP = annualized gross premium

COM = Commissions

EPC = Expense/Profit Charge. EPC is equated to 0.30·(GP-COM). The 30% expense/profit charge is specified in Aetna’s rate filing.

CC_{n+1} = Claim cost incurred in the n+1st policy year. This quantity is defined as the probability of incurring a claim in the n+1st policy year times the expected present value of the annuity paid to a life that has incurred a loss in that year. Aetna uses its GAAP valuation claim incidence rates and claim continuance rates to calculate CC_{n+1}.

I=6.0%, the interest rate specified in Aetna’s rate filing.

Formula

The value of Fund_n is defined recursively using the following formulae:

$$\text{Fund}_0=0$$

$$\text{Fund}_{n+1}=\text{Fund}_n \cdot (I_n \div I_{n+1}) \cdot (1+i) + (GP-COM-EPC) \cdot ((1 + I_n \div I_{n+1})/2) \cdot (1+i)^{1/2} - CC_{n+1} \cdot (I_n \div I_{n+1}) \cdot (1+i)^{1/2}$$

Converting Sex Distinct Values to Unisex Values

CC_{n+1} and I_n have been adjusted to make them unisex values:

$$I_n^{unisex} = I_n^{male} + I_n^{female}$$

$$CC_{n+1}^{unisex} = \frac{I_n^{male} \cdot CC_{n+1}^{male} + I_n^{female} \cdot CC_{n+1}^{female}}{I_n^{male} + I_n^{female}}$$

Were Aetna to use sex distinct values, the fund accumulation would be higher for a male than for a female whose risk variables were the same in all other respects.

SUPPLEMENT THREE
"LIKE COVERAGE" DEFINITIONS AND PROVISIONS

1. REPLACEMENT COVERAGE/FUNDS TRANSFER. The replacement coverage must be tax qualified under section 7702B of the Internal Revenue Code.

Our current group long term care insurance carrier will transfer funds to the new replacement carrier if the replacement coverage is "like" coverage to the current program. Generally, coverage will be considered "like" if it is equal to or better than the current coverage. The following plan design elements are examined to determine if the coverage is "like" or "non-like."

- a. Service reimbursement and/or indemnity plan models are not "like" coverage as compared to a disability plan model.
 - b. Funding should be on a fully insured basis. (Coverage offered on a self funded basis is not "like" as compared to coverage offered on a fully insured basis.)
 - c. Individual long term care policies are not "like" coverage compared to an Aetna group long term care policy.
 - d. Replacement coverage must be comprehensive in nature. (Coverage limited to Nursing Home only or Home Care benefits only are not "like" as compared to Aetna's comprehensive coverage.)
 - e. The lifetime maximum benefit should be equal or richer benefit than the lifetime maximum under the current Aetna coverage. In addition, existing enrollees should be allowed to transfer at their current lifetime maximum benefit.
 - f. The Daily Benefit Amount (DBA) should be equal to or greater than the DBA offered under the current Aetna coverage. In addition, existing enrollees should be allowed to transfer at their current DBA.
 - g. The Deductible Period should be equal to or more liberal than the deductible period under the current Aetna coverage. In addition, existing enrollees should be allowed to transfer at their current Deductible Period.
 - h. The Inflation Protection Option offered under the new plan should be equal to or richer than the current Aetna coverage. In addition, existing enrollees should be allowed to transfer with their current Inflation Protection Option.
 - i. Benefit percentages applicable to Assisted Living and Home Care should each be equal to or greater than current the percentages for those benefits under the Aetna coverage.
2. The following provisions should be waived for each Class of Eligible transferring their coverage:
 - a. Medical Underwriting Requirements
 - b. Pre-Existing Exclusion
 - c. Actively at Work / Non-Confinement Exclusion
 3. The entire amount transferred by Aetna to the replacing carrier must be used to reduce the premiums that transferring members would otherwise pay under the replacing coverage.

In order to qualify for contractual funds transfer Replacement coverage must meet all of the above criteria for "like" plan classification as determined by Aetna. Unless all of these criteria are met, there is no contractual obligation under the current group LTC policy to transfer funds to a successor carrier. However, in some circumstances Aetna may be willing to consider some amount of extra-contractual transfer.

1. Respondent must indicate if they are proposing any deviations from these requirements.
2. Respondent shall be responsible for accuracy of the materials provided to existing members regarding current versus proposed coverage and current versus proposed premium rates. Respondent agrees to provide these materials in advance to current carrier for their review regarding the accuracy of the description of current coverage and premium rates.
3. The participant should be allowed to upgrade benefit design options such as daily and lifetime maximums, etc. Evidence of insurability for the increase should not be required of insured employees if it is not required of newly eligible employees, i.e., employees actively at work. All others may be required to provide evidence of insurability but only with respect to the increase in coverage.

Funds transfer would not be offered to those individuals determined to be eligible for benefits, including those in a deductible period (i.e. waiting period), or for individuals in non-forfeiture status.

State of Ohio Grandfathered Disability LTC Plan, Tax Qualified Disability Plan and the
 State of Ohio Current Service Reimbursement LTC Plan

Plan Features	Aetna Plan Disability Grandfathered	Aetna Plan Disability Tax Qualified	Aetna Plan Service Reimbursement	XXX Plan Service Reimbursement
Eligible Participants	Employees/Spouses, parents/in-laws Total participants: 9	Employees/Spouses, parents/in-laws, adult children Total participants: 651	Employees/Spouses, parents/in-laws, adult children/spouses, siblings/spouses, grandparents/in-laws Total participants:568	
Plan Model	Disability	Disability Tax Qualified	Service Reimbursement	Service Reimbursement
Benefit Eligibility	Inability to perform at least 2 of 5 Activities of Daily Living (Dressing, Eating, Mobility, Toileting, Transferring)	Inability to perform at least 2 of 5 Activities of Daily Living(Transferring, Dressing, Contenance, Toileting, Eating) OR -Severe Cognitive Impairment (e.g., Alzheimer's disease)	Inability to perform at least 2 of 6 Activities of Daily Living (Bathing, Transferring, Dressing, Contenance, Toileting, Eating) OR -Severe Cognitive Impairment (e.g., Alzheimer's disease)	
Daily Benefit Amount (DBA)	Current Insured: \$56 - \$273 New Enrollments/New Hires: Closed Plan	Current Insured: \$50 - \$337 New Enrollments/ New Hires: Closed Plan	Current Insured: \$50 - \$320 New Enrollments/ New Hires: \$60 - \$300	
Lifetime Maximum	5 years	3, 5 years	3, 5 years	
Benefit Payout:			Covered Expenses up to:	
Nursing Home or Hospice Care – Facility	100% of DBA	100% of DBA	100% of DBA	
Assisted Living Facility	50% of DBA	80% of DBA	100% of DBA	
Home HealthCare/Adult Day Care	50% of DBA	50% of DBA	50% of DBA	
Hospice Care – Home	50% of DBA	50% of DBA	50% of DBA	
Bed Reservation	100% of DBA, unlimited days per year	100% of DBA, 21 days per year	100% of DBA, 60 days per year	
Respite Care	Not specifically defined Cash Benefit of 50% of NH DBA can be used	Not specifically defined Cash Benefit of 50% of NH DBA can be used	50% of DBA (21 days per year)	
Informal Care Benefit	Not specifically defined Cash Benefit of 50% of NH DBA can be used	Not specifically defined Cash Benefit of 50% of NH DBA can be used	25% of DBA (50 days per year)	
Informal Caregiver Training	Not specifically defined Cash Benefit of 50% of NH DBA can be used	Not specifically defined Cash Benefit of 50% of NH DBA can be used	3X NH DBM	

State of Ohio Grandfathered Disability LTC Plan, Tax Qualified Disability Plan and the
 State of Ohio Current Service Reimbursement LTC Plan - Continued

Plan Features	Aetna Plan Disability Grandfathered	Aetna Plan Disability Tax Qualified	Aetna Plan Service Reimbursement	XXX Plan Service Reimbursement
Private Care Management	Not specifically defined Cash Benefit of 50% of NH DBA can be used	Not specifically defined Cash Benefit of 50% of NH DBA can be used	Not applicable	
Transitional Care Assistive Equipment and Technology and Home Modification Benefits	Not specifically defined Cash Benefit of 50% of NH DBA can be used	Not specifically defined Cash Benefit of 50% of NH DBA can be used	Transitional Care Benefit: 3 X NH DBA Assistive Equipment and Technology: 50% of your DBA – amount paid once a month Home Modification: 10 X DBA or \$1000	
Alternate Plan Benefit	Not specifically defined Cash Benefit of 50% of NH DBA can be used	Not specifically defined Cash Benefit of 50% of NH DBA can be used	At Aetna's discretion, reimbursement for expenses for which no benefit is otherwise payable under this plan	
Waiting/Deductible Period	90 calendar days; no benefits paid during this period	90 calendar days; no benefits paid during this period	90 cumulative days; no benefits paid during this period	
Benefits Paid During Waiting/Deductible Period	No benefits paid during this period	No benefits paid during this period	No benefits paid during this period	
Restoration of Benefits	Not Applicable	LTM restored based on all amounts paid out after 90 days of no longer being claim eligible	LTM restored based on all amounts paid out after 90 days of no longer being claim eligible	
Future Purchase Inflation Protection Included if Automatic Compound Inflation Protection is rejected by the individual	Offered every 2 years compounded at 5% annually based on the individual's DBA	Offered every 2 years compounded at 5% annually based on the individual's DBA	Offered every 3 years compounded at 5% annually based on the individual's DBA	
Automatic Compound Inflation Protection (optional)	Not available	Not available	Automatic annual increases on a 5% compound basis	
Premium Waiver	Premiums waived after satisfying Deductible Period	Premiums waived after satisfying Deductible Period	Premiums waived after satisfying Deductible Period	
Coordination of Benefits	Not Applicable	Not Applicable	Coordination with Medicare	
International Benefit	Not available	Not available	Not available	

State of Ohio Grandfathered Disability LTC Plan, Tax Qualified Disability Plan and the
 State of Ohio Current Service Reimbursement LTC Plan - Continued

Plan Features	Aetna Plan Disability Grandfathered	Aetna Plan Disability Tax Qualified	Aetna Plan Service Reimbursement	XXX Plan Service Reimbursement
Non-Forfeiture	<p><u>Included</u> for all eligible</p> <p>Extended Term- This option allows for a specific period of extended coverage with no reduction in the applicable Daily Benefit Amount</p> <p>Or</p> <p>Reduced Paid-Up- This option will provide for permanent Long Term Care coverage based on a reduced Daily Benefit Amount and Reduced Lifetime Maximum Benefit.</p>	<p><u>Included</u> for all eligible</p> <p>Extended Term- This option allows for a specific period of extended coverage with no reduction in the applicable Daily Benefit Amount</p> <p>Or</p> <p>Reduced Paid-Up- This option will provide for permanent Long Term Care coverage based on a reduced Daily Benefit Amount and Reduced Lifetime Maximum Benefit.</p>	<p><u>Optional</u> for all eligible</p> <p>Benefit Bank – after 3 years of paying premium, LTM equals greater of total premiums paid or 30 X DBA</p>	
Return of Contribution at Death	Included for all eligible 10% reduction starting @ age 65; later of age 65 and retirement for employees	<u>Included</u> for all eligible 10% reduction starting @ age 65; later of age 65 and retirement for employees	<u>Optional</u> for all eligible 10% reduction starting @ age 65; later of age 65 and retirement for employees	
Spousal/Marital Discount	Not available	Not available	Offers a 10% discount for employee/spouse; parent/in-laws; grandparents/in-laws; adult child/spouse; sibling/spouse when both enroll and coverage becomes effective.	
Direct Bill Modal Premium Discounts	Not available	Not available	Not available	
Rate Guarantee	Not Applicable	Not applicable	Ending 07/01/2009	

SUPPLEMENT FOUR - A

TECHNICAL AND SECURITY STANDARDS

Technical Standards

The OAKS interface architecture provides a framework to enable data interchange between OAKS and agencies. The following are key standards:

- Data Set / File – Data is exchanged in files using a fixed width, text-based 8-bit ASCII flat file format that is human-readable using everyday text editors such as vi and Notepad. The files are received on a Windows 2003 SP1 server and will be processed on both Windows and HP-UX Unix servers. End-of-line characters may be either a newline (\n - UNIX)(10 or 0x0a) or a carriage return / line feed combination (CRLF – Windows)(13/10 or 0x0d/0x0a).
- Communication Protocol – OAKS accepts connections using SSL-encrypted File Transfer Protocol (FTPS). FTP clear text connections are not accepted.
- FTPS Server – OAKS uses a server that has a vendor-facing gateway component that provides the login and file transfer service, and a protected system area where files are actually stored.
- Directory Structure – Each vendor is assigned a dedicated directory on the FTPS server. That directory is the only location on the server that the vendor uses to transfer files. A vendor is not able to see any other vendors or agency's directory or contents.

Security Standards

OAKS uses the following security approaches to minimize security risks to data exchange:

- Virtual Private Network (VPN) – OAKS accepts connections to its FTPS server from the State of Ohio VPN network. This adds a layer of verification that the vendor's connecting process is pre-authorized. This service is currently being developed and OAKS will contact you with details when it is available. Either client or site-to-site connections are suitable for OAKS connection purposes; however site-to-site is preferred.
- IP Filtering – OAKS uses the IP addresses that vendors supply to permit network access to its FTPS server. All other IP addresses will be blocked.
- 128-bit SSL encryption – 128-bit encryption secures the transmission channel between the vendor and OAKS for the duration of the session. Vendors use a 128-bit SSL FTPS-capable client to connect to the OAKS server. A partial list of compatible FTPS clients is:
 - CuteFTP
 - WSFTP
 - Core FTP Pro
 - SecureFTP
 - TumbleWeed
- User ID & Password – Each vendor is assigned a user ID and password on OAKS' FTPS server. Anonymous "sign on" or "login" is not supported.

FILE EXCHANGE APPROACH – Vendor Connects to OAKS

The sequence of events for exchanging files with OAKS is:

5. The vendor sub-system (or person, if the vendor transfers files manually) connects to the State of Ohio VPN.
6. The sub-system connects to the OAKS FTPS service.
7. Interface direction:
 - a. Inbound to OAKS – the sub-system uploads the file(s) prior to the interface's cutoff time. There may be more than one file to exchange, and there may be multiple scheduled times within a day that the vendor sends files. The FTPS server moves the file(s) from the vendor's directory to the secure file server on the OAKS network. The file no longer appears in the vendor's directory.
 - b. Outbound from OAKS – OAKS places the file(s) in the vendor's directory prior to the scheduled download time. At or after that time (but before the next scheduled file transfer for that file type), the vendor sub-system downloads the file. Doing so removes the file from the directory upon a successful download.
8. The subsystem closes its FTPS connection, and optionally, its VPN connection.

SUPPLEMENT FOUR - A continued

Notes:

- Interface file names are named uniquely (see your interface layout design(s) for specific file names). This supports the following options:
 - A vendor may participate in more than one interface with OAKS. All interface files are exchanged using the vendor's directory.
 - A single interface may be defined as using multiple files with each vendor.
- OAKS interface file names are not time-stamped while under transit. The name serves only to identify the type of data contained. The data in the file captures any business date information. Vendors and OAKS may timestamp files when stored on their own internal file systems but OAKS expects that files are named conforming to the OAKS naming standards while in transit. This means that vendors must adhere to schedules when transferring files.
- OAKS archives ALL files that are transferred, whether inbound or outbound, for a set retention period (defined per interface – see your OAKS business liaison). This means that if a vendor misses a transfer period for an outbound file which is subsequently overwritten, a manual process is available to forward a copy to the vendor from the OAKS archive. Inbound files that miss processing deadlines are not processed in the current processing iteration. Vendors should be aware of this so that appropriate steps can be taken to have the data processed.

SUPPLEMENT FOUR - B

Standard Inbound Deduction Interface File Layout

Legacy System To OAKS Mapping Document

OAKS Module:	-	HCM/Payroll
Source Agency Technical Contact:	-	
Tel:	-	
Email:	-	
File Type:	-	Fixed length File

OAKS File Name	OAKS Record Name	Parent/Child Record Relationship
INHPYI03BXXX.DAT (XXX - Vendor)	GENL_DEDUCTION	Parent

*The first 'X' will be part of the interface identifier, such as INFAP02A. The other three 'XXX' in the file will be replaced by the three letter agency code.

Standard Inbound Deduction Interface File Layout
 Instruction Sheet

Column headings are outlined below:

OAKS FIELD (filled by OAKS Design Team):	
OAKS Field Name	This is the actual column name in the OAKS record or staging record.
Field Type	The defined data type of the OAKS column.
Field Length	The defined length of the OAKS column.
First Position	Field starting position in flat file
Last Position	Field last position in flat file
Key Field	Indicates whether this field is a key field (Y/N).
Required Field	Indicates whether this field is required (Y/N).
Cfg WUT#	Configuration Work Unit Number (if applicable)
Valid Values	Lists valid values for the field
Processing Rules	Lists rules, default values, date format, etc.
Description	This is a detailed definition of the column.

SUPPLEMENT FOUR - B

File Name: INHPYI03BXXX.DAT (XXX - Vendor)	
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OAKS Record Description: Header/Parent Record for Standard Inbound Deduction

OAKS										
OAKS Field Name	Field Type	Field Length	First Position	Last Position	Key Field	Required Field (Inbound Only)	Cfg WUT#	Valid Values/ Defaults	Processing Rules	Description
NATIONAL_ID	Char	20	1	20	Y	Y			Required - Vendor will need to provide either SSN or EMPLID. If SSN is given in the file, the Application Engine program will get the EMPLID.	Social Security Number
EMPLID	Char	11	21	31	Y	N		Valid value from PERSON	Required - Vendor will need to provide either SSN or EMPLID. If SSN is given in the file, the Application Engine program will get the EMPLID	Employee ID
DEDCD	Char	6	32	37	Y	Y		Valid Value from BEN_PROG_GNLDED	Required	Deduction Code

SUPPLEMENT FOUR - B

OAKS											
EFFDT	Date	10	38	47	Y	Y				Date must be in 'YYYY/MM/DD' format If EFFDT is blank in the file, get Pay Begin Date of the open pay period for the employee and make it the EFFDT for the deduction	Effective date of Deduction
EMPL_RCD	Nbr	3	48	50	N	Y				Required when employee has multiple jobs	Employee Record Number
DED_CALC	Char	1	51	51	N	Y			A->'Flat Amount B->'Percentage C->'Calculated by Salary System D->'Default to Deduction Table E->'Percent of Special Earnings F->'Percent of Federal Gross G->'Percent of Total Gross H->'Rate x Total Hours N->'Percent of Net Pay P->'Rate x Special Hours S->'Special Deduction Calculation W->'Rate x Hours Worked Defaults to 'D'	Required	Deduction Calculation

SUPPLEMENT FOUR - B

OAKS											
DEDUCTION_END_DT	Date	10	52	61	N	N				Required if Deduction should end by specific date. Date must be in 'YYYY/MM/DD' format	End Date of Deduction
DED_ADDL_AMT	Nbr	8.2	62	72	N	N				Required DED_ADDL_AMT or DED_RATE_PCT - Depending on the value that you select for the Deduction Calculation Routine field, you may need to enter a flat or additional amount in this field. The format for this field is 8(9).99. This should be the deduction amount.	Deduction Amount

SUPPLEMENT FOUR - B

OAKS												
DED_RATE_PCT	Nbr	4.3	73	80	N	N					Required DED_ADDL_AMT or DED_RATE_PCT - Depending on the value that you select for the Deduction Calculation Routine field, you may need to enter a rate or percent in this field. This will determine how much to take out for the deduction. The format for this field is 4(9).999. - The field does not need to be in the inbound layout. The vendors will be sending a flat amount, not percent.	Deduction Percent

SUPPLEMENT FOUR - B

OAKS											
LOAN_INT_PCT	Nbr	2.3	92	97	N	N				Required if loan carries any interest. The format for this field is 99.999. - This field does not need to be in the inbound interface layout.	Percent Interest of Loan
FIRST_NAME	Char	30	98	127	N	N		A - 30(Z)s		Not Required. If provided , used for error processing	First Name
MIDDLE_NAME	Char	30	128	157	N	N		A - 30(Z)s		Not Required, If provided , used for error processing	Middle Name
LAST_NAME	Char	30	158	187	N	N		A - 30(Z)s		Not Required, if provided , used for EMPLID validation	Last Name
NAME_SUFFIX	Char	15	188	202	N	N		suffix - JR, SR, I - IX		Not Required, If provided , used for error processing	Name Suffix

SUPPLEMENT FOUR - C

Generic Outbound Interface

Legacy System To OAKS Mapping Document

-	-	-
OAKS Module:	-	Payroll
Legacy System:	-	
Source Agency Technical Contact:	-	
	Tel:	
	Email:	
File Type:	-	ASCII Fixed Length

OAKS File Name	OAKS Record Name	Parent/Child Record Relationship
INHPYOXXX.DAT	Generic Outbound	This information creates the interface file for the vendors and general deductions specified in the run control.

*The Billing Business Unit will be part of the file name because agencies will create 1 file for each of their Billing Business Units.

Generic Outbound Interface
 Instruction Sheet

Column headings are outlined below:

OAKS FIELD (filled by OAKS Design Team):	
OAKS Field Name	This is the actual column name in the OAKS record or staging record.
Field Type	The defined data type of the OAKS column.
Field Length	The defined length of the OAKS column.
First Position	Field starting position in flat file
Last Position	Field last position in flat file
Cfg WUT#	Configuration Work Unit Number (if applicable)
Valid Values	Lists valid values for the field
Processing Rules	Lists rules, default values, date format, etc.
Description	This is a detailed definition of the column.

