



REQUEST FOR QUOTES & QUALIFICATIONS (RFQQ)

RFQQ NUMBER N22601

PROJECT TITLE: HIV CLIENT SERVICES PHARMACY BENEFITS MANAGEMENT

PROPOSAL DUE DATE: August 04, 2017 4:00 P.M. Pacific Daylight Time

EXPECTED TIME PERIOD OF CONTRACT: Date of Execution through June 30, 2018

At its sole discretion, DOH may renew any contract awarded as a result of this RFQQ for up to 4 additional years.

MINIMUM REQUIREMENTS FOR BIDDING: This procurement is open to those organizations that satisfy the following minimum requirements stated herein and who are available for work and licensed to do business in Washington State:

- a. Must have provided recent pharmacy benefits management OR prescription drug point-of-sale processing within the last three years.
- b. Must have experience working with a large pharmacy network (minimum of eighty-five pharmacies) and with pharmacies which can manage customers with multiple payment sources, including Medicaid and Medicare D Prescription Drug Plans.

Bidders, who do not meet and demonstrate these minimum qualifications will be rejected as non-responsive and will not receive further consideration. Any proposal that is rejected as non-responsive will not be evaluated or scored.

SCHEDULE: The State reserves the right to adjust this schedule as it deems necessary, at its sole discretion.

Event	Date
RFQQ Release Date	June 20, 2017
Letter of Intent	July 07, 2017
Questions Due from Bidders	July 14, 2017
DOH Response to Questions	July 21, 2017
Complaint/Suggestions (5 days prior to due date)	July 28, 2017
Proposal & References Due	August 04, 2017
Bid Evaluation Period	August 09 – August 18, 2017
Oral Presentations and Demonstrations, if applicable	August 21 – September 01, 2017
Projected Announcement of Apparently Successful Bidder	September 06, 2017
Debriefing Request Deadline (3 days following announcement)	September 11, 2017
Award Protest Deadline (5 days following debrief)	September 18, 2017
Negotiate contract terms, if applicable	September 19 – September 22, 2017
Contract to Vendor for Signing	September 25, 2017
Projected Contract Start Date	October 01, 2017

Bidders are instructed to **follow all dates listed in this RFQQ** and any subsequent amendments. The inactive date on WEBS is the date the bidding opportunity will be removed from the bid calendar and no longer available for viewing. Do not use the WEBS inactive date as the deadline for proposal submittal purposes.
***Only the organizations whose proposals received the highest scores will be invited to make a presentation.**

RFQQ POINT OF CONTACT AND DELIVERY ADDRESS

The RFQQ Coordinator is the sole point of contact for all official written communications throughout this acquisition process. All communications with regard to this RFQQ, including questions, the Letter of Intent, and proposal delivery shall be directed, **in writing**, to the RFQQ Coordinator and designee identified below:

Mitch Paris, RFQQ Coordinator E-mail: Mitchell.Paris@doh.wa.gov

Ann Thompson, RFQQ Coordinator’s designee E-mail: Ann.Thompson@doh.wa.gov

All DOH communications and clarification regarding this document will be distributed under signature of the RFQQ Coordinator.

Oral communications will be considered unofficial and non-binding on DOH. Vendors are cautioned to rely only on written statements issued by the RFQQ Coordinator.

DELIVERY OF PROPOSALS. Proposals shall be submitted to the RFQQ Coordinator by one of the following methods:

U.S. Postal Service	Overnight/Express Mail	Hand Deliver
PO Box 47905 Olympia, WA 98504-7905.	101 Israel Rd SE Tumwater, WA 98501-5570 Hours – 8:00 AM to 5:00 PM (P.S.T.)	101 Israel Rd SE Tumwater, WA 98501-5570 Hours – 8:00 AM to 5:00 PM (P.S.T.)

Driving Directions

Interstate 5 South, from Seattle or Tacoma:

1. Take I-5 South to Exit 101(Not Highway 101 - Ocean Beaches)
2. Turn left at the stop light onto Tumwater Boulevard.
3. Go to the second traffic light and turn left onto Capital Blvd.
4. Move to right lane, turn right on Israel Road and Town Center is on your right.

Interstate 5 North, from Centralia, or Portland:

1. Take I-5 North to Exit 101. (Stay in right hand lane)
2. Turn right at stop sign onto Tumwater Blvd
3. Go to second traffic light, turn left onto Capital Blvd, and move to right lane.
4. Turn right onto Israel Road, Town Center is on your right.

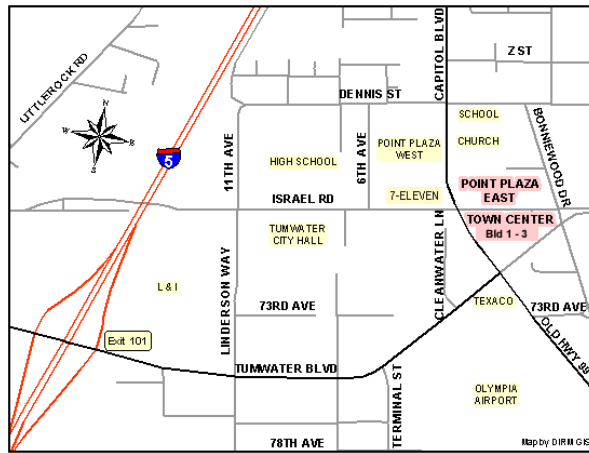


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DEFINITIONS

For the purposes of this solicitation definitions include and have the meaning indicated below.

Addendum or Amendment: Written clarification or revision to this RFQQ issued by the Solicitation Coordinator.

Agency: The Department of Health is the agency of the state of Washington that is issuing this RFQQ.

Apparently Successful Bidder: The Bidder selected as the entity to perform the anticipated services, subject to completion of contract negotiations and execution of a written contract

Bidder: Individual, company, or firm submitting a proposal in order to attain a contract with the Agency.

Business Day: Days of the week excluding weekends and state holidays; namely, New Year's Day, Martin Luther King Jr. Day, President's Day, Memorial Day, Labor Day, Independence Day, Veterans' Day, Thanksgiving day, the day after Thanksgiving day, and Christmas

Business Hours: Normal state business hours are Monday through Friday from 8:00 a.m. to 7:00 p.m. Pacific Time, Saturday from 9:00 am to 5:00 pm except legislatively mandated furlough days and state holidays.

Contract: The signed agreement, all schedules, exhibits and amendments for the procurement of items of tangible property, services or construction derived from this RFQQ.

Contractor: Individual or company whose proposal has been accepted by the Agency and is awarded a fully executed, written contract. Contractor has full responsibility for the coordinating and controlling of all aspects of the project, including support to be provided by any Subcontractor(s). Contractor will be the sole point of contact with the DOH relative to Contract performance shall by the signatory to the final contract – including subsequent amendments- and is responsible for the overall performance of Deliverables under the Contract.

Deliverable: any measurable, tangible, verifiable outcome, result, or item that shall be produced to complete a project or part of a project and to receive payment. A Deliverable may be composed of one or more interrelated project Work Products

Delivery Date: The date by which the Products/Services ordered must be delivered.

DES: The Department of Enterprise Services.

DOH or Department: The Washington State Department of Health, Office of Infections Disease, HIV Client Services.

Dun and Bradstreet (D&B): The commercial entity which maintains a repository of unique identifiers (D-U-N-S Numbers) recognized as the universal standard for identifying business entities and corporate hierarchies

Effective Date: The first date the Contract is in full force and effect. It may be a specific date agreed to by the parties; or, if not so specified, the date of the last signature of a party to this Contract.

Electronic Client Management System (ECMS): Software application utilized for tracking client demographics and HIV related data, determining eligibility for services, processing claims, producing communication and reports, importing/exporting data between authorized and contracted vendors and agencies.

Evaluation Committee/Team: The body appointed by the DOH management to perform the evaluation and scoring of submitted proposals

Firm, Fixed Price: A price that is all-inclusive of direct cost and indirect costs, including, but not limited to, direct labor costs, overhead, fee or profit, clerical support, equipment, materials, supplies, managerial

(administrative) support, all documents, reports, forms, travel, reproduction, and any other costs. No additional fees or costs shall be paid by the State unless there is a change in the SOW.

HIPAA: The Health Insurance Portability and Accountability Act establishes national standards to protect individuals' medical records and other personal health information. The Rule requires appropriate safeguards to protect the privacy of personal health information without patient authorization. The Rule also gives patients' rights over their health information.

HRSA: Health Resources and Services Administration is the federal agency that among many other things, administers the Ryan White Program contained in federal legislation. HRSA administers funds and programming to state, city and community organizations throughout the United States. HRSA sets program policy, monitors fiscal compliance and provides technical assistance to grantees.

Human Immunodeficiency Virus (HIV): A retro virus that infects helper T cells of the immune system and, without treatment, may result in Acquired Immunodeficiency Syndrome (AIDS).

Local Time: Time in the Pacific Time Zone as observed by the State of Washington.

Mandatory: The terms "shall," "will," and "is required," identify a Mandatory item or factor (as opposed to "Desirable"). Failure to meet a Mandatory item or factor will result in the rejection of the vendor's proposal.

Milestone: a significant event in a project, usually the completion of a major deliverable.

NASTAD: National Alliance of State and Territorial AIDS Directors is a member organization representing public health official who administer HIV and hepatitis programs in the U.S. and around the world. NASTAD provides advocacy, technical assistance and program planning to support public health being delivered primarily through state health departments.

OCP: Office of Contracts & Procurement

PHI: Protected Health Information. The Privacy Rule protects all individually identifiable health information held or transmitted by a covered entity or its business associate in any form or media, whether electronic, paper, or oral.

Price: Shall mean all charges, costs, rates, and/or fees charged for the deliverables and services under a Contract and shall be paid in United States dollars.

Proposal: A formal offer submitted in response to this solicitation.

Proposal Due Date/Time: Proposals and Letters of Intent are due on the date and at the time specified in the schedule. Any Proposal or Letter of Intent received at any time after the stated date and time (e.g. 3:01p.m.) will be considered late and will not be evaluated.

Reimbursement: The Department of Health will repay the Contractor for allowable costs incurred under the terms of this contract.

Request for Qualifications and Quotes (RFQQ): Formal procurement document in which a service or need is identified and firms are invited to submit their qualifications and rates to provide the goods and or services.

Responsive Bid or Responsive Proposal: An offer or proposal that conforms in all material respects to the requirements set forth in the request for proposals. Material respects of a request for proposals include, but are not limited to, price, quality, quantity or delivery requirements.

Responsible Vendor: A vendor who submits a responsive proposal and who has furnished, when required, information and data to prove that its financial resources, production or service facilities, personnel, service reputation, and experience are adequate to make satisfactory delivery of the services or items of tangible personal property described in the vendor's proposal.

SOW: The Scope/Statement of Work document.

State: "State" means State of Washington.

Subcontractor: One not in the employment of vendor, who is performing all or part of this Contract. The term "Subcontractor" means Subcontractor(s) of any tier.

Vendor: Individual or company whose proposal has been accepted by DOH and is awarded a fully executed, written contract. Vendor has full responsibility for the coordinating and controlling of all contract requirements, including those provided by any subcontractor(s). Vendor is the sole point of contact with the DOH relative to contract performance – including subsequent amendments- and is responsible for the overall performance of deliverables under the contract.

Veteran-owned business: A business certified by the Department of Veteran's Affairs to be at least fifty-one percent owned and controlled by (a) A veteran as defined in RCW 41.04.007; or (b) An active or reserve member in any branch of the armed forces of the United States, including the national guard, coast guard, and armed forces reserves.

VPN: Virtual Private Network. A technology that creates an encrypted connection through the Internet to connect to DOH's internal network.

WEBS: Washington Electronic Business Solutions ([WEBSRegistration.aspx](#)) - an Internet vendor registration and bid notification system. The system offers one online site where vendors can register to receive government bid notifications.

Work Product: The documented results of the SOW activities developed and reviewed per the requirements stated within the RFQQ. One or more Work Products collectively form a Deliverable. Work Product includes data and products produced under any Contract resulting from this RFQQ, including but not limited to, discoveries, formulae, ideas, improvements, inventions, methods, models, processes, techniques, findings, conclusions, recommendations, reports, designs, plans, diagrams, drawings, Software, databases, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions, to the extent provided by law.

1. INTRODUCTION

1.1. PURPOSE

The Washington State Department of Health (Program or DOH) is soliciting proposals from qualified proposers that provide pharmacy benefits management services which includes manage enrollment and maintenance of DOH current pharmacy network. Services also include claims adjudication, coordination of benefits and point-of-sale processing services for its clients. The contract is expected to begin October 1, 2017 and run through June 30, 2018, with the possibility of up to four (4) additional one-year contract extensions through June 30, 2022.

1.2. BACKGROUND

The HIV Client Services, Early Intervention Program (EIP) assists approximately 3,500 Washington State residents who are living with HIV gain access to life saving medications and medical care to optimize their health and reduce the likelihood that they will transmit HIV. EIP is the federal grantee of record for the Ryan White Program and AIDS Drug Assistance Program (ADAP) in Washington. Within the scope of this effort, EIP is responsible for the provision of pharmacy services, insurance premium assistance and medical/dental/laboratory/mental health claims payments. These services are provided via contract with a pharmacy benefits manager and an insurance benefits manager with DOH staff conducting eligibility and claims processing. The program has approximately 10,000 prescription transactions per month, at an average monthly cost of approximately \$800,000.

In collaboration with the Infectious Disease Prevention Section, HIV Client Services uses the ADAP pharmacy infrastructure and full pharmacy network to support the Pre-Exposure Prophylaxis Drug Assistance Program (PrEP DAP). PrEP DAP is a drug assistance program created for HIV-negative Washingtonians who are at high risk for HIV infection and are prescribed Truvada for PrEP. As of June 2017, Truvada is the only FDA approved drug for PrEP. PrEP DAP pays for Truvada for eligible participants using industry standard pharmacy adjudication principles for insurance billing and provider reimbursement. All eligibility screening, assignment and renewal is performed by DOH staff and then transferred to the PBM for pharmacy filling permissions.

Program allows clients to obtain their drugs from any one of a large number of pharmacies statewide, though they fill the large majority of their prescriptions through a select number of pharmacies located in urban and suburban areas. The pharmacy network contains several different chains and independent pharmacies, as well as a small number of Public Health Service pharmacies (PHS pharmacies allowed to use 340B status is set and not open to new enrollment). Approximately 95% of our billing clients are enrolled in various insurance plans that serve as the primary payers for the clients' drugs. These clients have fairly complex claims because Program co-payment needs to be coordinated with the insurance plan's payment.

1.3. OBJECTIVE

Contractor's primary activity will be to process pharmaceutical claims for DOH clients. For a complete description of all of the Contractor responsibilities, **see Exhibit D, Technical Requirements, Exhibit E Management Proposal and Exhibit H Draft Statement of Work.** Contractor core work will include the following:

- **Claims processing.** Provide an electronic claims processing infrastructure through which pharmacies interact when clients fill their prescriptions. Contractor's electronic claims processing capacity must be sufficient to allow pharmacies to do online adjudication and split billing, which will mean that pharmacies or clients will not need to submit manual claims for secondary payment.

- **Coordinate with other payers.** Contractor shall have a detailed, mapped recoupment process for instances where other prescription coverage has been identified, so that claims can be reversed and re-billed to other payers.
- **Pharmacy network.** Maintain a statewide pharmacy network that will be available to dispense covered drugs on behalf of DOH and a mail order option through which clients obtain their medications.
- **Formulary.** DOH defines formularies, which includes individual drugs and whole classes of drugs. Contractor will be responsible for updating formularies when Contractor receives specific direction from DOH.
- **Data system.** Maintain a data system that is capable of receiving and managing client eligibility information to use for claims processing, monthly invoicing, reports and billing.
- **Technical support.** Provide knowledgeable technical support staff who are readily available to answer calls from DOH, pharmacists and clients.
- **Reporting.** Contractor shall provide all required annual, semi-annual, quarterly, and monthly reports and exchange of data.
- **Reimbursement.** Contractor shall reimburse the network pharmacies in accordance with NCPDP Guideline timeframe for prescriptions filled for eligible clients and then submit weekly invoices to DOH for reimbursement.
- **Prescription Drug Benefit Card.** Create prescription drug cards that clients use when they go to pharmacies to get their prescriptions filled.
- **Client confidentiality.** Client confidentiality is extremely important. Contractor will maintain high standards of client confidentiality and will not be allowed to use client information for commercial purposes.

1.4. FUNDING

DOH acknowledges that the majority of costs will revolve around the cost of prescriptions and, as a result, may vary throughout a contract year. The current program budget is approximately \$10,000,000 per year.

No payments in advance or in anticipation of goods or services to be provided under any resulting contract shall be made. The contractor shall only be compensated for performance delivered and accepted by the Department. Any contract awarded as a result of this procurement is contingent upon the availability of funding.

1.5. CONTRACT TERM

It is anticipated that the Initial Term of the resulting Contract will be one (1) year commencing on the effective date of the Contract. DOH, at its sole discretion, may initiate extending the Contract in any time increments deemed necessary but not more than a total of 5 years.

1.6. PAYMENT

Payments will only be made upon the completion and acceptance of tangible deliverables as defined in the Contract and final Statement of Work. No payments in advance or in anticipation of goods or services to be provided under any resulting contract shall be made. The vendor shall only be compensated for performance delivered and accepted by the Department.

1.7. PRICE PROTECTION

Pricing on this RFQQ must be firm and remain open for a period of not less than 180 days from the proposal due date to allow for any unanticipated delays in review and contract negotiation with the successful vendor. Please refer to the Cost Proposal section of this RFQQ for a detailed discussion of the proposal pricing format and requirements.

For the entire term(s) of the Contract, the Vendor must guarantee to provide the Products at the proposed rates or lower. Product rates cannot increase during any term of the Contract. In the event Vendor is providing the products at a lower rate, DOH shall be entitled to the lower rate.

After the one year initial term ends, cost increases shall not exceed five (5%) percent increase in any one year above the immediately preceding year's fee.

1.8. TRAVEL WHEN AUTHORIZED:

DOH shall reimburse Vendors for travel and other expenses as identified in a Statement of Work, or as authorized ***in advance and in writing*** in accordance with the then-current rules and regulations set forth in the Washington State Administrative and Accounting Manual (<http://www.ofm.wa.gov/policy/contents.asp>). Contractor shall provide a detailed itemization of expenses, including description, amounts and dates, and receipts for amounts of fifty (\$50) dollars or more when requesting reimbursement.

1.9. ACQUISITION AUTHORITY

DOH is issuing this RFQQ under a delegation of authority from the Department of Enterprise Services (DES), as provided in RCW 39.26.090 RCW and DES Policy No. DES-090-00

2 GENERAL INFORMATION FOR BIDDERS

2.1 RFQQ COORDINATOR & RESTRICTIONS ON COMMUNICATION WITH DOH STAFF

Upon release of this RFQQ all communication concerning the RFQQ must be directed, in writing (email), solely to the RFQQ Coordinator or their designee listed below. Communication directed to DOH staff or parties other than the RFQQ Coordinator **may result in disqualification**.

Vendors are hereby advised that the U. S. Postal Service does not make deliveries to our physical location. Proposals may be delivered by hand or courier service to our physical location.

Name	Mitch Paris, RFQQ Coordinator Ann Thompson, RFQQ Coordinator designee
Mailing Address OR Delivery Address	PO Box 47905, Olympia, WA 98504-7905 FedEx, UPS, DHL or other Courier Service: 101 Israel Rd. SE, Tumwater, WA 98501-5570
Email Address	Mitchell.Paris@doh.wa.gov Ann.Thompson@doh.wa.gov

Base your proposal on the material contained in the RFQQ and any subsequent amendments. Disregard any draft material you may have received and any oral representations by any party. Bidders are to rely on written statements issued by the Coordinator/designee via amendment to this RFQQ. Any other communication will be considered unofficial and non-binding on the AGENCY.

Proposals that appear unrealistic in terms of technical commitments, lack of technical competence or are indicative of failure to comprehend the complexity and risk of this project may be rejected.

2.2 BIDDER QUESTIONS & DOH ANSWERS

1. It is the responsibility of the potential vendors to carefully read, understand, and follow the instructions contained in this solicitation document and all amendments to the solicitation.
2. All questions regarding this RFQQ shall be in writing (e-mail) and addressed to the RFQQ Coordinator. DOH will only answer questions received no later than 4:00 p.m. local time on the

date stated in the schedule. **DO NOT CALL** the RFQQ Coordinator to ask questions. Questions received after the date and time stated in the schedule will not be accepted.

3. The vendor submitting the questions will not be identified. Questions will not be individually answered prior to the date scheduled for DOH responses unless the response could determine whether that vendor submits a Letter of Intent for proposal. Those questions and the response will become part of the official questions and answers.
4. Vendors' questions and DOH's official written answers will be posted on Washington Electronic Business Solutions (WEBS) by the date in the schedule and **must be downloaded from WEBS**. Individual notification from the Coordinator will not be sent to vendors when responses to questions or amendments are available.

Bidders are requested to use the template below when submitting their written questions

Question Number	Document Name	Section # and Title	Page No.	Question

2.3 WEBS REGISTRATION

DOH is required to post all bid opportunities on WEBS, the state's electronic vendor registration and bid notification system. If not currently registered, vendors interested in obtaining notification of state bidding opportunities including those for DOH shall register at [\(WEBSRegistration.aspx\)](#).

There are step by step instructions to guide you through the process. If you have difficulties, questions about the registration process may be directed to webcustomerservice@des.wa.gov or (360) 902-7400, 8:00 a.m. to 5:00 p.m., Monday – Friday.

The system is self-maintained and vendors are responsible for the accuracy of the information in WEBS for updating/maintaining registration information, and checking with their assigned account administrators regarding notifications. In order to receive notifications ***you must select yes for Bid notifications. If you do not download bid documents, you will not receive any subsequent notifications regarding the solicitation.***

In order to receive notifications of this opportunity and subsequent amendments Vendors must be registered in the following WEBS commodity codes: **269-72; 920-22; 946-10; 948-07; 948-48; 948-72; 948-74; 953-27; 953-48; 953-52; 958-56.**

2.4 FACSIMILE, E-MAIL AND INTERNET COMMUNICATION

You may use e-mail for any communication required in this solicitation **except** your proposal and protest if any. The RFQQ Coordinator/designee will also communicate with you utilizing the same methods. DOH does not take any responsibility for any problems in the e-mail or internet delivery services either within or outside DOH.

2.5 STATE BUSINESS LICENSING

Before the contract is signed, you must have a State of Washington business license (a "Unified Business Identifier" known as a UBI#). If the State of Washington has exempted your business from State licensing (some foreign companies are exempt and sometimes, the State waives licensing because the company has no physical presence in the State), then submit proof of that exemption. All costs for any licenses, permits and associated tax payments due to the State because of licensing shall be borne by the respondent and not charged separately to the Department. Instructions and applications are at <http://bls.dor.wa.gov/file.aspx> and the State of Washington Department of Revenue is available at 1-800-647-7706.

2.6 VENDOR COMPLAINTS REGARDING REQUIREMENTS

DOH is committed to ensuring its requirements for goods and services are met through an open, fair, and transparent process that maximizes competition and value, and to improving its procurement process.

Potential vendors are expected to raise any questions, exceptions, or suggestions for improvement concerning this solicitation early in the process. Prior to initiating a complaint, vendors are strongly encouraged to raise issues and concerns during the written question and answer period. Experience has shown there are often minor errors, omissions or other inadvertent actions which can be quickly clarified or corrected to the satisfaction of the complainant, thus removing the cause of many complaints and concerns at the outset.

Submit specific complaints and/or suggestions to the Coordinator if the vendor believes:

- a) The solicitation unnecessarily restricts competition
- b) The solicitation evaluation or scoring process is unfair, or
- c) The solicitation requirements are inadequate or insufficient to prepare a response.

Fundamental disputes over the agency's needs, facts or over legal rights and obligations are beyond the scope of the vendor complaint process.

A written complaint clearly articulating the basis of the complaint and a proposed remedy must be submitted to the Coordinator via e-mail before the due date set forth in the schedule.

- a) Identify the vendor (name or company name, business, mailing, e-mail addresses, phone number(s) and name of contact person
- b) Identify the specific Solicitation by number, title, date, and coordinator
- c) Specific issue or requirement subject to complaint
- d) Describe in detail all facts and circumstances leading to the complaint or suggestion
- e) State the requested resolution of the complaint or recommended strategy to implement the suggestion

The decision of DOH regarding any complaint is final. The complaint may not be raised again during the protest period and no further administrative appeal is available. Any changes made to the solicitation document as a result of a complaint or suggestion will be an amendment to the solicitation and posted to WEBS.

Click here [DES-170](#) to view the entire Complaints and Protest Policy.

2.7 DEBARMENT OF STATE CONTRACTORS

Any Contractor who defaults on delivery or does not perform in a satisfactory manner as defined in this Agreement may be barred for up to a period of three (3) years, pursuant to Revised Code of Washington 39.26.200 which authorizes DES to fine or prohibit a contractor, individual or other entity from submitting a bid, having a bid considered, or entering into a state contract during a period of time specified in a debarment order.

2.8 SUBMISSION OF PROPOSALS

2.8.1 Letter of Intent (Mandatory)

You must send the Department a Letter of Intent to Bid to be eligible to submit a proposal. E-mail your Letter of Intent to the RFQQ Coordinator no later than the 4:00 p.m. Pacific Time on the date stated in the Schedule. You must include all of the components listed in Exhibit A.

Under no circumstances will Letters of Intent be accepted after the deadline. Time extensions will not be granted. Proposals will not be accepted from Bidders that have not submitted Letters of Intent by the required deadline. Submitting a Letter of Intent does not obligate you to submit a proposal. Letters of Intent may be used as a pre-screening mechanism to determine whether minimum qualifications are met.

Failure to submit a Letter of Intent to Bid shall disqualify the vendor from further participation in the solicitation process.

2.8.2 Submission of Proposals

Bidders are required to submit 5 printed copies of their proposal. One copy shall have original signatures; all other copies can have photocopied signatures. Submit one (1) electronic copy of all required information on a jump drive in Microsoft Office 2010 or higher.

The proposal, whether mailed, couriered (FedEx, UPS, DHL), or hand delivered, must arrive at the Agency no later than 4:00 p.m., local time, on August 04, 2017. Late proposals shall not be accepted and shall be automatically disqualified from further consideration. Bids or proposals received at or after 4:01 in response to the 4:00 deadline shall be considered non-responsive and will not be eligible for consideration. Requests for extension of this date/time will not be granted.

The proposal is to be sent to the RFQQ Coordinator at the address noted in Section 2.1. The envelope shall be clearly marked to the attention of the RFQQ Coordinator and include the RFQQ number. Vendors should allow ample delivery time to ensure timely receipt of their proposals by the RFQQ Coordinator. Vendors assume the risk for the method of delivery chosen. The DOH assumes no responsibility for delays caused by any delivery service. **Vendors are encouraged to submit their responses at least one day early to insure against unforeseen delivery issues such as weather or traffic problems.** Proposals may not be submitted using facsimile transmission.

All materials associated with this procurement process are subject to the terms of Washington State and federal laws defining freedom of information and privacy and all rules, regulations and interpretations resulting from those laws.

Elaborate proposals (e.g., expensive artwork), beyond that sufficient to present a complete and effective proposal, are not necessary or desired.

2.9 ALTERNATIVE PROPOSALS

Each Bidder may submit only one proposal. If you include alternatives within your proposals, or send multiple proposals, DOH will reject all of your proposals.

2.10 OWNERSHIP OF PROPOSALS

All proposals and materials submitted in response to this solicitation shall become the property of the Department and will not be returned. The Department will have the right to use ideas or adaptations of ideas that are presented in the responses. Selection or rejection of the offer will not affect this right.

2.11 RELEASE/DISCLOSURE OF PROPOSAL CONTENTS

The State of Washington's Public Records Act: Under Washington State Law (reference RCW Chapter 42.56, the **Public Records Act**) all materials received or created by the State are considered **public records**. These records include bid or proposal submittals, agreement documents, contract work product, or other bid material.

With the exception of lists of prospective bidders all proposals received shall remain confidential until the contract, if any, resulting from this RFQQ is awarded and the Apparently Successful Vendor has been announced. Thereafter, the proposal shall be deemed public records as defined in RCW 42.56.

If a public records request is made for any information in the proposal that the Bidder claims as proprietary/confidential and exempt from disclosure under the provisions of RCW 42.56 the Agency will notify the Bidder of the request and of the date that the records will be released to the requester unless the

Bidder obtains a court order preventing disclosure. If the Bidder fails to obtain the court order preventing disclosure, the Agency will release the requested information on the date specified.

The Department will **not** withhold materials from disclosure simply because you mark them with a document header or footer, page stamp, or a generic statement that a document is non-disclosable, exempt, confidential, proprietary, or protected.

The Department will **not** assert an exemption from disclosure on your behalf. If you believe a record(s) is exempt from disclosure you are obligated to clearly identify it as such and cite the RCW or another Washington State statute which specifically exempts the records from disclosure. Exemptions are narrow and explicit and are listed in Washington State Law (Reference RCW 42.56 and RCW 19.108).

Proposers must be familiar with the Washington State Public Records Act and the limits of record disclosure exemptions. For more information, visit the Washington State Legislature's website at <http://www1.leg.wa.gov/LawsAndAgencyRules>.

The Department will charge for copying and shipping any copies of materials requested as outlined in RCW 42.56. The Department will not charge a fee for inspection of RFQQ or contract files but twenty-four (24) hours' notice to the RFQQ Coordinator is required. Address requests for copying or inspecting materials to the RFQQ Coordinator or designee named in this RFQQ.

The Department will retain solicitation records in accordance with Washington State and the Department's Records Retention Schedules.

2.12 PROPRIETARY AND CONFIDENTIAL INFORMATION

Clearly mark every page of any portion(s) of your proposal that contains proprietary/confidential information with the words "PROPRIETARY/CONFIDENTIAL INFORMATION" (in all caps), affixed to the lower right-hand corner of each page. In addition, you must provide a detailed listing (including page numbers) in your Letter of Submittal, of any and all materials so marked.

You may not mark the entire proposal as proprietary or confidential. Proposals which are marked in such a manner will be disqualified and removed from consideration.

Your cost and management proposals are not confidential or proprietary. If either is marked as such your proposal **will** be disqualified.

2.13 INCORPORATION OF RFQQ AND PROPOSAL IN CONTRACT

This RFQQ and the Bidder's response, including all **(demonstrations of product or solutions, if given)** promises, warranties, commitments, and representations made in the successful proposal, shall be binding and incorporated by reference in the Department's final contract with the Bidder.

This solicitation and the evaluation of Proposals will be made in conformance with applicable Department policies and Washington State law. Any contract resulting from this RFQQ will be awarded to the responsive and responsible Bidder whose proposal, in the sole opinion of the Department, offers the greatest benefit to the Department. The greatest benefit to Department will be determined by considering the total value, including such other factors as:

- The quality of service, breadth and depth of offering,
- Total cost, including the projected internal cost to the Department for the Project implementation and on-going support, and
- The strength and form of contractual commitments made by Bidder to the Department.

2.14 ERRORS IN RESPONSE

Bidders are liable for all errors or omissions contained in their Responses. Bidders will not be allowed to alter Response documents after the deadline for Response submission. The Department is not liable for any errors in Responses. The Department reserves the right to contact Bidder for clarification of Response contents.

2.15 VETERAN-OWNED BUSINESS ENTERPRISE (VBE)

The Department strongly encourages participation of businesses owned by veterans. Bidders who are registered with the Washington State Department of Veterans Affairs are encouraged to identify the participating firm in the Letter of Submittal (See Section 4.1). No minimum level of veteran-owned business participation is required as a condition of receiving an award and no preference will be included in the evaluation of Responses in accordance with chapter 43.60A RCW. For questions regarding the above, contact the Washington State Department of Veterans Affairs at (800) 562-0132.

2.16 WITHDRAWAL OF PROPOSALS

Proposers may withdraw a proposal at any time up to the proposal due date and time. The written request to withdraw a proposal must be signed by an authorized representative of the Proposer and submitted to the RFQQ Coordinator.

2.17 PRICE PROTECTION

For the entire term(s) of the Contract, the Vendor must guarantee to provide the Services at the proposed rates or lower. Rates cannot increase during any term of the Contract. After the initial term ends Service increases shall not exceed a five (5%) percent increase in any one year above the immediately preceding year's rates.

3 PROPOSAL CONTENTS

The Bidder's Transmittal Letter must be addressed to the RFQQ Coordinator and must:

1. Be submitted on the Bidder's official business letterhead stationery.
2. Be signed and dated by, for a corporation, a corporate officer of, and for entities not a corporation, a partner, manager or other individual representative of Bidder with the authorization to execute and legally bind Bidder.
3. Contain all of the following items in the following order:
 - a. Identifying information about your organization and any partnering or subcontracting organizations to include:
 - b. The business name, mailing and delivery address, telephone number, email address (if any) and fax number.
 - c. The legal status of the organization (sole proprietorship, partnership, corporation, etc.) and the year the entity was organized as it now substantially exists. Organizations claiming status under Section 501(c)(3) of the Internal Revenue Code must provide a copy of the determination letter that recognizes that status.
 - d. The name(s), address(es), email address(es) and telephone number(s) of the sole proprietor, partners or principal officers as appropriate to the organization.
 - e. The name and title of the person who would have primary contact with the Department of Health in carrying out the responsibilities of this contract.
 - f. The Bidder must be licensed to do business in the state of Washington before any resulting contract is executed. Provide your organization's Washington Uniform Business Identification (UBI) number issued by the Washington State Department of Licensing or

an affirmation that your organization will obtain a business license before executing a contract.

- g. Provide your Federal Employer Tax Identification Number.
- h. Provide your Statewide Vendor Number.
- i. Provide your Dun & Bradstreet Number.
- j. In the event the Bidder is proposing subcontractors to perform any of the activities detailed in this document, Bidder must provide a list of all proposed subcontractors along with the same information cited above. Be advised that DOH retains review rights regarding subcontractors and may require copies of all subcontracts related to this project.
- k. If you claim minority-owned and/or women-owned business participation, you must provide your oath that you will meet Minority and Women's Business Enterprise participation requirements, if identified. Name the proposed minority or women-owned business(es) and the percentage and dollar amount of their participation. Proof of certification by the Washington State Office of Minority and Women's Business Enterprises (OMWBE) for your business or for subcontractors must be attached to the Letter of Submittal. Proof of Federal certification as a Minority, Women-Owned, or Disadvantaged Business is acceptable.
- l. Conflict of Interest Information
 - i. If any of your employees, officers or your subcontractor's employees or officers were employed by the State of Washington during the last two years, state their positions within your organization, state their proposed duties under any resulting contract, their duties and position during their employment with the state, and the date of their termination from state employment.
 - ii. If any of your employees or officers or your subcontractor's employees or officers were employed by the State of Washington during the last two years and **retired** from state service, indicate whether the individual providing services retired using the 2008 Early Retirement Factors (ERF) or whether the company is owned by an individual who retired under the new ERF and receiving compensation as a result of the contracted service.
 - iii. If any owner, key officer or key employee of the Bidder is related by blood or marriage to any employee of DOH or has close personal relationship to same, identify all the parties, identify their current or proposed positions and describe the nature of the relationship.
 - iv. If the Bidder is aware of any other real or potential conflict of interest, the Bidder must fully disclose the nature and circumstances of such potential conflict of interest.

If, after review of the information provided and the situation, DOH determines that a potential conflict of interest exists, DOH may, at its sole option, disqualify the Bidder from participating in this procurement.

Failure to fully disclose any real or potential conflict of interest may result in the disqualification of the Bidder or the Termination for Default of any contract with the Bidder resulting from this procurement with the Bidder.

- m. Bidders and any partnering or subcontracting organizations must indicate whether they have had a contract terminated for default in the last five years. Termination for Default is defined as a notice to stop work due to the Bidder's nonperformance or poor performance, where the issue of performance was either not litigated due to inaction on the part of the Bidder, or litigated and determined that the Bidder was in default.

If the Bidder has had a contract terminated for default in the last five years, the Bidder must submit full details including the other party's name, address, and telephone number. The Bidder must specifically grant DOH permission to contact any and all involved parties and access any and all information DOH determines is necessary to satisfy its investigation of the termination. DOH will evaluate the circumstances of the termination and may, at its sole discretion, bar the participation of the Bidder in this procurement.

Failure to disclose any terminations for default if discovered post contract award will result in termination of the contract with liquidated damages.

- n. The Contractor, including any of its officers or holder of controlling interest, must certify that they are not presently or have not previously been debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in any federal contracts or grants by any federal department or agency. Any proposed partnering organizations or subcontractors must provide same certification.
- o. Your organization and any partnering or subcontracting organizations must provide sufficient information to provide assurance to DOH that the Bidder is a financially stable, viable organization that will be fully able to meet all of its obligations under any resulting contract. The Bidder must supply as part of their response income statements (summary of revenue and expenses) for a three year period plus the bidder's last audit report. If DOH determines that the Bidder has not demonstrated its financial stability, DOH may at its sole option reject the Bidder's proposal as non-responsive. *Failure to provide any proof of financial stability will result in automatic disqualification.*
- p. The Bidder must provide sufficient information to document the use of generally accepted accounting practices (GAAP), which would demonstrate the Bidder's ability to manage, track, and document the receipt of funds (e.g. registration fees) and the use of those funds to offset contract-related expenses.
- q. A list of all RFQQ amendments you received by amendment issue date for this RFQQ. Bidder Questions/DOH Responses are considered an amendment to the RFQQ. If you received no RFQQ amendments, write a statement to that effect.
- r. Use **Reference Form 1 - Issues List for Sample Contract** to address any issues and proposed modifications to the Terms and Conditions of the Sample Contract. In no event is a Vendor to substitute its own standard contract terms and conditions as a response to this requirement. The Vendor needs to address the specific language in "Attachment 1 - Sample Contract", and submit whatever exceptions or exact contract modifications that their firm may have to the proposed Terms and Conditions. Vendor's new and/or modified paragraphs will be the only ones that will be subject to discussion during contract negotiation.

NOTE 1: The State of Washington Department of Health **WILL NOT** indemnify contractors performing work under this contract. DOH does not have the statutory authority to indemnify contractors, nor does DOH have the authority to waive its defenses to an indemnification claim.

NOTE 2: The copyright/ownership terms and conditions of the contract are not negotiable. The department will own all rights associated with this project including all ideas, concepts, techniques and know-how, as well as all forms of expression of ideas (whether or not the subject of copyright) including, without limitation: techniques, its project management techniques, issue resolution processes, and proprietary tools, techniques, and methodologies *which are developed as a result of or as a product of this Contract.*

- s. A detailed list of all materials and enclosures being sent in the proposal.

- t. A detailed list (including page numbers) of any materials marked as "Proprietary/Confidential".
 - u. A copy of the CERTIFICATIONS AND ASSURANCES, Exhibit B, signed by a person authorized to bind your organization to a contract.
 - v. A copy of the PROPOSAL REQUIREMENTS, Exhibit C, signed by a person authorized to bind your organization to a contract.
 - w. A copy of the CONFIDENTIALITY STATEMENT, Attachment 3, signed by a person authorized to bind your organization to a contract.
 - x. A list of all RFQQ amendments you received by amendment issue date. Bidder questions/DOH responses are considered an amendment to the RFQQ. If you received no RFQQ amendments, write a statement to that effect.
2. Your proposal in response to the TECHNICAL REQUIREMENTS, Exhibit D.
 3. Your proposal in response to the MANAGEMENT PROPOSAL, Exhibit E.
 4. Your proposal in response to the COST PROPOSAL, Exhibit F.

4 PROPOSAL FORMAT

1. Use standard 8.5" x 11" white paper, except that charts, diagrams and the like may be on 11" x 14" fold-outs which, when folded, fit within the 8.5" x 11" format. All pages, except for those in the submittal and cost envelopes, must be consecutively numbered, starting with page 1 in each of the proposals. The firm name and the page number may be located at the top or bottom as the Bidder prefers, but the location must be consistent throughout.
2. Staple and submit one copy each of the Letter of Submittal and the Certifications and Assurances together.
3. Bind each copy of your Management Proposal and Cost Proposal separately. Use spiral bindings. **Do not use three ring binders.**
4. Send one original and five (5) identical copies. Submit one (1) electronic copy of all required information on a Flash Drive in Microsoft Word 2010 or higher.
5. State your organization's name on the first page of all copies of your Technical Requirements, Management and Cost Proposals.
6. Write your proposal in the order given in the Technical Requirements, Management and Cost Proposal Specifications. Title and number your response to each item in the same order it appears in the RFQQ. You must respond to every section in the specifications except where otherwise stated.

5 GENERAL PROVISIONS

5.1 COSTS OF PROPOSAL PREPARATION

DOH will not pay any Bidder costs associated with preparing or presenting any proposal in response to this RFQQ.

5.2 INSURANCE COVERAGE

Prior to contract execution, the Vendor will be required to provide a Certificate(s) of Insurance executed by a duly authorized representative of each insurer showing compliance with the insurance requirements set

forth below. Insurance coverage shall be paid for and maintained by the Vendor during the term of the contract.

5.2.1 Liability Insurance

1. **Commercial General Liability Insurance:** Bidder shall maintain general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than \$1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the “each occurrence” limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the “each occurrence” limit. CGL insurance shall be written on ISO occurrence from CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insured’s (cross liability) condition.
2. **Professional Liability:** Errors and Omissions coverage with a limit of not less than \$1,000,000 per occurrence and \$2,000,000, aggregate.
3. **Business Auto Policy:** As applicable, the Bidder shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of “Any Auto.” Business auto coverage shall be written on ISO form CA 00 01, 1990 or later edition, or substitute liability form providing equivalent coverage.
4. **Cyber Liability Insurance:** Vendor shall have and maintain insurance limits in the minimum amount of \$1,000,000 per claim and \$2,000,000 annual aggregate to be maintained for the duration of the agreement and three years following its termination to respond to privacy and network security liability claims arising for any reason.
5. **Privacy Liability Insurance** **\$3,000,000 – aggregate limit**
Breach Notification Costs **\$3,000,000 – aggregate limit**

5.2.2 Employers Liability (“Stop Gap”) Insurance:

In addition, the Bidder shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

5.2.3 Additional Provisions:

Above insurance policy shall include the following provisions:

1. **Additional Insured.** The State of Washington, Department of Health, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with this contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State.
2. **Cancellation.** The State of Washington, Department of Health, shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. Insurers subject to 48.18 RCW (Admitted and Regulation by the Insurance Commissioner): The insurer shall give the State 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation. Insurers subject to 48.15 RCW (Surplus lines): The State shall be

given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.

3. **Identification.** Policy must reference the State's contract number and the agency name.
4. **Insurance Carrier Rating.** All insurance and bonds should be issued by companies admitted to do business within the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved by [Agency Name] Risk Manager, or the Risk Manager for the State of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with chapter 48.15 RCW and 284-15 WAC.
5. **Excess Coverage.** By requiring insurance herein, the State does not represent that coverage and limits will be adequate to protect Bidder, and such coverage and limits shall not limit Bidder's liability under the indemnities and reimbursements granted to the State in this contract.

5.2.4 Worker's Compensation Coverage:

The Bidder will at all times comply with all applicable workers' compensation, occupational disease, and occupational health and safety laws, statutes, and regulations to the full extent applicable. The State will not be held responsible in any way for claims filed by the Bidder or their employees for services performed under the terms of this contract.

5.3 RECEIPT OF INSUFFICIENT COMPETITIVE PROPOSALS/RESPONSE

If DOH receives only one responsive proposal as a result of this RFQQ, DOH reserves the right to select the Contractor which best meets DOH's needs. That Contractor will be selected by DOH management. The Contractor selected need not be the sole Bidder.

5.4 NON-RESPONSIVE PROPOSALS/WAIVER OF MINOR IRREGULARITIES

Read all instructions carefully. All proposals will be reviewed by the RFQQ Coordinator to determine compliance with administrative requirements and instructions specified in this RFQQ. If you do not comply with any part of this RFQQ, DOH may, at its sole option, reject your proposal as non-responsive. DOH reserves the right to waive minor administrative irregularities contained in any proposal.

5.5 RFQQ AMENDMENTS

DOH reserves the right to amend this RFQQ. The published Bidder questions and DOH's official answers are an amendment to the RFQQ.

DOH reserves the right to cancel or reissue the RFQQ in whole or in part, prior to execution of a contract

5.6 RIGHT TO REJECT ALL PROPOSALS

DOH may, at any time and at its sole discretion and without penalty, reject any and all proposals and issue no contract as a result of this RFQQ, or may seek other sources at its sole discretion.

5.7 STATE CONSTITUTION – APPLICABLE PROVISIONS

The Constitution of the State of Washington prohibits payments in advance or anticipation of receipt of goods or services. Contractors are paid after goods are delivered and accepted and/or services are rendered.

The State may not enter into a conditional sales contract unless the contract can be canceled for non-allocation of funds with no penalty to the State.

5.8 NON-ENDORSEMENT AND PUBLICITY

In selecting a Vendor to supply services to the State of Washington, the State is neither endorsing Vendor's products or services nor suggesting that they are the best of only solution to the State's needs. By submitting a proposal the Vendor agrees to make no reference to the Department or the State of Washington in any literature, promotional material, brochures, sales presentation or the like, regardless of method of distribution, without the prior review and express written consent of the Department.

5.9 AUTHORITY TO BIND DOH

The DOH Secretary and the Secretary's designees are the only persons who may legally commit DOH to the expenditures of funds under any contracts or amendments to the contract resulting from this RFQQ. The Contractor shall not incur, and DOH shall not pay, any costs incurred before a contract or any subsequent amendment is fully executed.

5.10 STATE'S OPTION TO REDUCE STATEMENT OF WORK

The State has the right and option, in its sole discretion, to reduce the Statement of Work for any task or subtask called for under this solicitation and resulting contract. In such an event, the Department shall provide advance written notice to the Vendor.

Within 5 working days following notification, the Vendor will submit, to the Project Manager, an itemization of the work effort already completed by task or subtask and deliverable. The Vendor shall be compensated for such work effort according to the applicable portions the agreed upon price schedule.

5.11 CONTRACT TERMS

The Department will initiate contract negotiations with the apparent successful vendor to finalize any modifications to the SOW and contract general terms and conditions which will be incorporated into the final contract. The final contract will also incorporate this RFQQ and the successful proposal. If negotiations cannot be completed to mutual satisfaction within 30 calendar days or in an otherwise reasonable time frame in the opinion of the Department, the Department retains the sole option to terminate negotiations. In such an event, the Department reserves the right to name another apparent successful vendor and restart with the new vendor or to terminate the RFQQ process.

The Department reserves the right to terminate the process if it decides no proposals meet its requirements.

If two or more organizations' joint proposal is apparently successful, **one organization must be designated as the Prime Bidder**. The Prime Bidder will be DOH's sole point of contact and will bear sole responsibility for performance under any resulting contract.

Tentatively, the period of performance of the contract resulting from this RFQQ is **Date of Execution through, June 30, 2022**.

5.12 OPTION TO EXTEND CONTRACT PERIOD

At its sole discretion, the Department may renew any contract awarded as a result of this RFQQ for four additional years in whatever time increments the Department deems necessary.

5.13 DEPARTMENT OF ENTERPRISE SERVICES APPROVAL

Under the provisions of Chapter 39.26 RCW, the contract(s) awarded under this RFQQ may require filing with Department of Enterprise Services. No contract required to be so filed is effective and no work there under shall be commenced nor payment made therefore until ten (10) working days following the date of filing, and, if required, until approved by DES. In the event DES fails to approve the contract, the contract shall be null and void.

5.14 ELECTRONIC PAYMENT

The State of Washington prefers to utilize electronic payment in its transactions. The successful Vendor will be expected to register as a statewide vendor. This allows Vendors to receive payments from all participating state agencies by direct deposit, the State's preferred method of payment. The form has two parts; Part 1 is the information required to meet the above mandatory registration requirement. Part 2 allows the State to pay invoices electronically with direct deposit. The State of Washington urges all Vendors to sign up for this payment option. Forms necessary for registration can be obtained at <http://des.wa.gov/services/contracting-purchasing/doing-business-state/receiving-payment-state>

5.15 SUSPENSION OF WORK

The Department may, for valid reason and in lieu of termination, may unilaterally issue a stop order directing the Vendor to suspend, delay, or interrupt all or any part of its performance of work under the contract for a specific time. The Vendor shall be paid until the effective date of the stop order. The Vendor shall resume work upon the date specified in the stop order or upon such other date as the Project Manager may thereafter direct in writing. The period of suspension shall be deemed added to the Vendor's approved schedule of performance. The Department and the Vendor shall negotiate an equitable adjustment, if any, to the contract price, scope, or schedule.

6 EVALUATION AND AWARD PROCEDURES

All incomplete RFQQ's submitted shall be determined non-responsive and removed from the evaluation process. To be considered complete, RFQQ's shall include all required submittals, and shall be signed and dated.

Responsive proposals will be evaluated in accordance with the requirements stated in this solicitation and any amendments issued. The evaluation of proposals shall be accomplished by an evaluation team to be designated by the agency which will determine the ranking of the proposal. The Department Evaluation Team will examine each Proposal to determine the effectiveness of the Proposal in meeting the Department's requirements as described in this RFQQ.

Your proposal must stand alone. It is the Bidder's responsibility to ensure all of the pages are included in all of the copies and all pages are numbered. Reviewers will not have access to pages that were included in the original, but not in their copies. Do not respond by referring evaluators to the WEB to find supporting information as evaluators may not have access to a computer during the evaluation.

6.1 INFORMATION USED FOR EVALUATION

Evaluators will use the information in the Bidders' proposals. No other information will be supplied to or used by the evaluation teams. The Department may, but is not required to, select the top-scoring firms as finalists and require an oral presentation, product demonstration, and reference checking.

Bidders may be contacted during the evaluation period if there is a need for clarification by the evaluation committee to make a fair assessment of the response against the specifications and complete the evaluation process. Bidder will be asked to provide clarification of ambiguous or otherwise unclear responses to questions, uncertainties as to what is being offered, or eliminate confusion concerning the contents of their proposal. The request for clarification and the response shall be in writing (e-mail), but no change in the price or substance of the Bid shall be sought, offered, or permitted.

6.1.1 ORAL PRESENTATIONS MAY BE REQUIRED

Oral presentations, may be utilized in selecting the winning proposal. The AGENCY, at its sole discretion, may elect to select the top-scoring firm(s) from the written evaluation for an oral presentation and contact

the top-scoring firm(s) to schedule a date, time and location for an oral presentation. Commitments made by the Bidder at the oral interview will be considered binding.

6.2 EVALUATION STEPS

6.2.1 ADMINISTRATIVE PROPOSAL SCREENING

The RFQQ Coordinator will review proposals on a pass/fail basis for compliance with RFQQ procedural requirements stipulated in the RFQQ. Non-responsive proposals will be eliminated from further evaluation.

6.2.2 REVIEW OF MANDATORY REQUIREMENTS

Evaluators will determine whether responses to the mandatory requirements are adequate. All requirements of the TECHNICAL (Exhibit D), MANAGEMENT (Exhibit E) and COST PROPOSALS (Exhibit F) are mandatory requirements except for the Optional category.

Proposals that do not meet a mandatory requirement will be rejected as non-responsive unless DOH determines that it is in its best interest to eliminate that mandatory requirement for all Bidders.

6.2.3 QUALITATIVE REVIEW AND SCORING

Evaluators will score all proposals that pass the review of mandatory and scored requirements. The evaluators will consider how well each proposal meets the needs of DOH. It is important that the proposal be clear and complete, so the evaluators may understand all aspects of the proposal.

Responsive proposals will be evaluated in accordance with the requirements stated in this solicitation and any amendments issued. The evaluation of proposals shall be accomplished by an evaluation team to be designated by the agency which will determine the ranking of the proposal. Each evaluator will independently review and assign scores to the proposal based upon criteria established in the solicitation.

Your proposal must stand alone. There will be no calls made to your organization to clarify information. It is the Bidder's responsibility to ensure all of the pages are included in all of the copies and all pages are numbered. Reviewers will have access to pages that were included in the original, but not in their copies. Do not refer evaluators to URLs to find supporting information.

A two-tiered process will be used to evaluate proposals:

Tier 1, Proposal evaluation: For the first level of evaluation, an evaluation team will evaluate proposals and references. The Evaluation Team will determine whether selected Bidders will be requested to make an oral presentation based on their proposal. However, DOH reserves the right to make an award without requesting an Oral Presentation from any Bidder. All oral presentation costs will be the responsibility of the Bidder.

Tier 2, Oral Presentation: For the second level of evaluation, the organizations whose proposals receive the highest subtotal scores may be invited to interview with, and make a presentation to an evaluation panel at a DOH office in Washington. The evaluation panel will evaluate the presentations. In the event any of the organizations with the highest subtotal scores declines to participate in this level of evaluation, DOH may, at its sole discretion, invite the organization with the next highest subtotal score. The scores for the oral presentation (if any) and the vendor's subtotal score will be added together and comprise the final score.

6.3 SCORING

6.3.1 SCORING SUMMARY

- TECHNICAL REQUIREMENTS - 275 possible points
 - Evaluators will assign points based on the Technical Proposal. The average of these points results in the **Technical Score**.
- MANAGEMENT PROPOSAL - 145 possible points
 - Evaluators will assign points based on the Management Proposal. The average of these points results in the **Management Score**.
- COST POINTS - 80 points
 - Evaluators will assign points based on the Cost Proposal. The average of these points results in the **Cost Score**.
- SUBTOTAL SCORE – Overall 500 possible points
 - The **Subtotal Score** is the sum of the Technical Score, Management Score and the Cost Score.
- PRESENTATION POINTS 100 possible points
 - Evaluators will assign points based on the Bidder's Presentation to an Evaluation Panel. The average of these points results in the Presentation Score. Reminder: It is anticipated that only the organizations with the highest Subtotal Scores will be invited to participate in the Presentation process.

6.3.2 COST POINTS

The score for the Cost Proposal is computed by dividing the lowest amount bid by the amount bid in the Bidder's Cost Proposal and multiplying that percentage against the total points available for this section, rounded to the nearest tenth of a point.

Example: Total possible points for cost are 20.

Vendor A's cost is \$20,000.

Vendor B's cost is \$25,000. The score for the Cost Proposal is computed by dividing the lowest amount bid by the amount bid in the Bidder's Cost Proposal and multiplying that percentage against the total points available for this section, rounded to the nearest tenth of a point.

Example: Total possible points for cost are 20.

Vendor A's cost is \$20,000.

Vendor B's cost is \$25,000.

Vendor A would receive 20 points,

Vendor B would receive 16 points ($\$20,000/\$25,000 = 80\% \times 20 \text{ points} = 16$).

$$\frac{\text{Lowest Responsive Offer Total Cost}}{\text{This Vendor's Total Cost}} \times \text{Number of Available Points} = \text{Award Points}$$

FINAL SCORE

The **Final Score** is the sum of the Technical, Management, Cost, and Oral Presentation Scores. If no oral presentations are conducted, the final score will be the sum of the Technical, Management, Cost scores.

6.4 ACTION ON EQUIVALENT SCORES

If two or more proposals receive equivalent scores, DOH may, at its sole discretion, select as apparently successful the Bidder whose proposal is in DOH's best interest. Equivalent scores are scores separated by three (3.0) or less points.

DOH's best interest will be defined by DOH managers and communicated to Bidders with equivalent scores in writing.

6.5 SELECTION OF THE APPARENTLY SUCCESSFUL BIDDER

The DOH Contracts Office staff will compile the scores. The Bidder with the highest **Final Score** will be named the Apparently Successful Bidder, unless scores equivalent to the highest score are received by one or more Bidders. In that case, DOH may select the Apparently Successful Bidder in the manner stated above.

6.6 NOTICE OF AWARD AND CONTRACT SIGNATURE

DOH will notify all Bidders who submit a proposal of the selection of the Apparently Successful Bidder.

6.7 DEBRIEFING OF UNSUCCESSFUL BIDDERS

Upon request, a debriefing conference will be scheduled with an unsuccessful bidder. The RFQQ Coordinator must receive the request for a debriefing conference within three (3) business days after the Notification of Unsuccessful Bidder letter is faxed/e-mailed to the Bidder. The debriefing must be held within three (3) business days of the request.

Discussion will be limited to a critique of the requesting Bidder's proposal. Comparisons between proposals or evaluations of the other proposals will not be allowed. Debriefing conferences may be conducted in person or on the telephone and will be scheduled for a maximum of one hour.

7 PROTEST PROCEDURES

1. Any unsuccessful Bidder may protest the contract award made under this RFQQ by following the procedures described below. DOH will not consider any protests that do not follow these procedures. No additional recourse is available within DOH.
2. DOH shall consider only those protests concerning a matter of bias, discrimination or conflict of interest, material errors in tabulation, or material failure to follow procedures stated in the RFQQ or agency policy.
3. OCP shall not accept any protest before the announcement of the Apparently Successful Bidder. OCP must receive a preliminary protest within three business days of the announcement of the Apparently Successful Bidder by OCP and must receive the formal protest within three business days of inspection or receipt of materials as stated in section 7.4. Both the preliminary protest and the formal protest must cite the basis of the protest (see section 7.2). Failure to cite the basis of the protest in either case will result in rejection of the protest.
4. Any Bidder may request copies of RFQQ documents or may inspect RFQQ documents to obtain information on which to base a protest. Such a request must be in writing, must state the basis of

the unsuccessful Bidder's preliminary protest and must be received within three business days of the announcement of the Apparently Successful Bidder by OCP. The information, if disclosable (see section 2.11), will either be sent to or made available to the requesting party within five business days of receipt of the request by OCP.

5. Upon receipt of a valid formal protest, OCP will conduct a protest review. The purpose of the review is to assure agency policy and procedures were followed, all requirements were met and all Bidders were treated equally and fairly. The protest review **will not** contain a review of bids or scores assigned. A written decision regarding the protest will be issued by OCP.
6. Any protests must be written, signed by the protesting Bidder or an authorized representative, and mailed or hand delivered. Telegrams, facsimiles or similar transmittals will not be considered. The protest must state all facts and arguments on which the protesting party is relying. Address a protest to:

Department of Health
Office of Contracts and Procurement
PO Box 47905
Olympia, WA 98504-7905
RE: RFQQ N22601 - Protest
ATTN: Mitch Paris
E-mail: Mitchell.Paris@doh.wa.gov

EXHIBITS and ATTACHMENTS

EXHIBITS:

- A – LETTER OF INTENT TO PROPOSE***
- B – CERTIFICATIONS AND ASSURANCES***
- C – PROPOSAL REQUIREMENTS***
- D – TECHNICAL REQUIREMENTS - SCORED***
- E – MANAGEMENT PROPOSAL - SCORED***
- F – COST PROPOSAL – SCORED***
- G – FINALIST PRESENTATION INFORMATION***
- H – SAMPLE STATEMENT OF WORK***

ATTACHMENTS:

- 1 – SAMPLE CONTRACT***
- 2 – PHARMACY NETWORK***
- 3 – CONFIDENTIALITY STATEMENT***
- 4 – STATE TRAVEL & PER DIEM***
- 5 – FORMULARY***
- 6 – SAMPLE DATA SECURITY AGREEMENT***
- 7 – SAMPLE FEDERAL FUNDING ACCOUNTABILITY AND TRANSPARENCY ACT FORM***
- 8 – BUSINESS RELATIONSHIP REFERENCE FORM***

RESPONSE FORMS

- 1 –ISSUES LIST FOR SAMPLE CONTRACT***

EXHIBIT A - LETTER OF INTENT TO PROPOSE/MINIMUM QUALIFICATIONS

Your Letter of Intent to Propose/Minimum Qualification Documentation must include the information below and be received **no later than the date and time stipulated in the Schedule**.

DOH will review your Letter of Intent to Propose/Minimum Qualification Documentation to determine if you meet all of the Minimum Qualifications required in this RFQQ. DOH reserves the right to request additional clarification and/or documentation regarding the required minimum qualifications.

If the additional clarification and documentation do not, at DOH's sole determination, satisfy the requirements, the vendor will be notified in writing and will be disqualified from further participation in the RFQQ. Proposals submitted by disqualified vendors will be returned without consideration.

Information in your Letter should be placed in the same order as the following outline:

1. Bidding Company:
 - a. Vendor Name
 - b. Proposal Contact
 - c. Address
 - d. Telephone Number
 - e. Fax Number
 - f. E-mail Address
 - g. Web address (if any)

2. Potential Partnering Organizations/Subcontractors (if any)
 - a. Vendor Name(s)
 - b. Principal Officer(s)
 - c. Address(es)
 - d. Telephone Number(s)
 - e. Fax Number(s)
 - f. E-mail Address(es)

3. A description of how you meet the minimum requirements:
 - a. Must have provided recent pharmacy benefits management OR prescription drug point-of-sale processing within the last three years.
 - b. Must have experience working with a large pharmacy network (minimum of two hundred pharmacies) and with pharmacies which can manage customers with multiple payment sources, including Medicaid and Medicare D Prescription Drug Plans.

EXHIBIT B - CERTIFICATIONS AND ASSURANCES

I/we make the following certifications and assurances as a required element of the bid or proposal to which it is attached, understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award or continuation of the related contract(s):

1. The prices and/or cost data have been determined independently, without consultation, communication or agreement with others for the purpose of restricting competition. However, I/we may freely join with other persons or organizations for the purpose of presenting a single proposal or bid.
2. The attached proposal or bid is a firm offer for a period of 90 days following receipt, and it may be accepted by the Department of Health without further negotiation (except where obviously required by lack of certainty in key terms) at any time within the 90-day period.
3. In preparing this proposal or bid, I/we have not been assisted by any current or former employee of the State of Washington whose duties relate (or did relate) to this proposal, bid or prospective contract, and who was assisting in other than his or her official, public capacity. Neither does such a person nor any member of his or her immediate family have any financial interest in the outcome of this proposal or bid. (Any exceptions to these assurances are described in full detail on a separate page and attached to this document.)
4. I/we understand that the Department of Health will not reimburse me/us for any costs incurred in the preparation of this proposal or bid.
5. I/we understand that any contract(s) awarded as a result of this RFQQ will incorporate Terms and Conditions substantially similar to those attached to the RFQQ. I/we certify that I/we will comply with these or substantially similar Terms and Conditions if selected as a contractor.
6. I/we understand that any person(s) selected as contractor(s) will be required to comply with DOH's Nondiscrimination Plan and the federal and state laws on which it is based. (See the General Terms and Conditions, attached, for a summary of the Plan's requirements.) I/we will, if requested by DOH, submit additional information about the nondiscrimination and affirmative action policies and plans of this organization in advance of or after the contract award.

Signature

Date

Name and Title

EXHIBIT C – PROPOSAL REQUIREMENTS

Introduction

Exhibits D, E and F contain the detailed proposal requirements pertaining to this Request for Quotes and Qualifications (RFQQ) and defines DOH requirements, desired operating objectives and environment. DOH will not tailor these needs to fit existing generic solutions a Bidder may have rather, the Bidder shall propose to meet DOH needs as defined in this RFQQ.

Designation of Requirements

The requirements specified in this RFQQ Section are classified as mandatory, mandatory-scored or Optional.

Mandatory (M) Requirements:

All items labeled mandatory (M) are non-negotiable.

Mandatory Scored (MS) Requirements:

All items labeled mandatory-scored (MS) are non-negotiable and receive points based on bidders response.

Optional Service Not Scored (O) This is a desired qualification and is not scored.

Bidder Compliance

All mandatory and mandatory-scored requirements are service levels and/or terms and conditions that DOH expects to be satisfied by the Bidder. Bidder authorized representative must indicate their willingness and ability to comply with these requirements by signing the following statement:

Bidder agrees to comply with all mandatory (M) and mandatory scored (MS) Requirements set forth herein and acknowledges that failure to do so will result in rejection of Bidder's proposal.

Signed: _____ Date: _____

Title: _____

EXHIBIT D - TECHNICAL REQUIREMENTS

275 possible points

The purpose of this section is for Department of Health, Office of Infectious Disease, HIV Client Services Program (will be referred to as DOH) to describe the specific services we seek to procure, and for the bidder to describe the organization's ability to provide those services. For each service component, please describe your ability and experience in providing the same or substantially similar services to other organizations. Exhibit E, the Management Proposal section provides the opportunity for you to include references from those organizations and detail about your company's structural capacity.

1. Pharmacy network (MS 25 points). Currently eligible clients fill their prescriptions from any one of a large number of pharmacies statewide, though they obtain most of their drugs through a select number of pharmacies located in urban and suburban areas. See Attachment 2 pharmacy network. The pharmacy network contains many different chains and independent pharmacies, as well as a few Public Health Service pharmacies and managed care organization pharmacies. A small number of our clients receive their drugs via mail order.

You will communicate with the pharmacies when there are significant program changes, such as formulary updates or major changes in how we interact with insurance companies or other government payers. You will provide us with a list of pharmacies in your network whenever the list changes. We will use the list to inform clients about the network. We may also use the list to communicate directly with members of the network.

Describe your existing pharmacy network in Washington State or your ability and experience in developing other statewide pharmacy networks. If you currently have a network of pharmacies in Washington State, please include the complete list of pharmacies. Describe your ability to provide a mail order option for clients. Also, include a description of how you communicate with pharmacies in your network when you need to inform them of significant events.

2. Drug cards (MS 10 points). DOH clients use prescription drug cards when they go to pharmacies to get their prescriptions filled. The cards contain specific information that identify the cardholder, their eligibility to receive benefits from the DOH, and other information that tells the pharmacist how to contact the pharmacy benefits manager and our program. On occasion, a client may not have a card to present to the pharmacy, but must still be able to obtain their drugs. For example, a new client may not have yet received their card, or an existing client may have lost it. Bidder will create the cards and send them to clients within ten business days for distribution.

Describe your ability and experience in preparing prescription drug cards. Include a description of how you ensure that eligible clients are able to get their drugs even if they do not have such a card.

3. Claims processing (MS 25 points). DOH currently has approximately 3,500 clients and pay about 10,000 pharmaceutical claims per month. Our caseload and amount of claims is slowly and steadily increasing. Approximately 95% of our clients are enrolled in various insurance plans that serve as the primary payers for the clients' drugs. These clients have fairly complex claims because Program payment needs to be coordinated with the insurance plan's payment. The claims from the remaining 5% of the clients are comparatively simple because Program is the sole payer and they do not need to be coordinated with another payment source.

The contractor will provide online claims processing services, including online claims adjudication and split billing. Describe your ability and experience in providing electronic pharmacy claims processing. Include a description of your ability to do online adjudication and split billing, and your backup procedure for pharmacies that are unable to do submit secondary claims electronically.

Describe how you monitor billings to assure non-duplication and proper split between primary and secondary payers.

4. Formulary (MS 20 points). Program defines the formulary. The formulary includes individual drugs and whole classes of drugs. Program will occasionally direct the Contractor to add specific drugs to the formulary.

It will be the Contractors responsibility to automatically add drugs to our approved classes when the FDA adds new drugs to those classes. Formularies will be made available on the Contractors website and updated when formulary changes are made.

Describe your ability and experience in managing a formulary that includes specific drugs and also classes of drugs. Include a description of how you ensure routinely capturing FDA decisions that affect approved classes of drugs.

5. Technical support (MS 25 points). DOH staff and pharmacies frequently need to contact technical support staff who are knowledgeable and readily available to resolve eligibility, claims or billing issues. DOH needs to have capable technical staff available to address client eligibility issues during workday business hours of 8:00 AM to 5:30 PM PST. Pharmacies, however, have extended hours and need to have access to capable technical staff from 8:00 AM to 7:00 PM PST Monday through Friday and Saturday 9:00 AM to 5:00 PM PST.

The Contractor will provide an Internet web site that will be available 24-hours a day. The non-secure web site will be available to anyone with Internet access and include a search tool used to identify participating pharmacy providers by city, zip code or county.

Contractors typical support functions will include informing clients about pharmacies, receiving client eligibility instructions from DOH concerning new and continuing clients, and assisting with coordination of benefits questions from DOH and from pharmacies. You will prepare a monthly call log that documents problem calls and includes basic descriptive information about the calls such as: date, caller, type of problem, how the problem was resolved.

Describe your ability and experience in providing technical support to program staff, pharmacies and clients. Include a description of the levels of service you provide at various times during the day. For example, describe the level of service you provide during business hours versus the type of support you provide during non-business hours including your holiday hours. Describe your ability to keep records on problem resolution.

6. Data system (MS 20 points). Contractor will maintain a data system that is capable of receiving and managing client eligibility information to use for claims processing, monthly invoicing, reports and billing. Provide and manage a data system to collect client level data on each person for whom payment was provided on behalf of DOH. Provide DOH with access to a web-based system that will allow DOH staff to view live claims adjudication, and provide training for DOH staff on the use of the system. Provide DOH with on-demand access to downloadable real-time client and service data.

Describe your ability and experience in creating and managing data systems that receive client eligibility information from the program of origin and use it for payment information with pharmacies. Include a description of how you ensure that you enter client eligibility information on the same day in which you receive it.

7. Monthly and quarterly reports (MS 10 points). Contractor will provide data on a monthly and quarterly basis for our program statistics, HRSA ADAP reporting requirements, and drug manufacturer rebate requests. We submit our own rebate requests under the federal 340B rebate process, as well as supplemental rebates on HIV antiretrovirals. Contractor will not have to negotiate for or obtain rebates from drug manufacturers, but, must be able to provide accurate and transaction level data to make it possible for DOH to submit the rebate requests.

We will need a small number of monthly and quarterly reports, in electronic format (Excel or PDF depending on report) that describe various aspects of program activity. Specific reports will be determined with the apparently successful bidder during the negotiation period. Below are examples of reports we currently receive including lists of data fields.

Drug Usage by Manufacturer (Quarterly) separated by public health and non-public health pharmacies

Name of Manufacturer
NDC Number
Drug Name
Quantity (or units)
Rx Count (or # of claims/prescriptions)
Total Cost
Average Cost

Drugs by Total Paid (Monthly)

NDC number
Drug Name (or description)
Type
Claim count
Average days
Average quantity
Total quantity
Average paid
Total Paid
Total copay
Total brand
Total generic

Pharmacy Summary (Monthly)

NABP number
Pharmacy name
Claims
Ingredient cost
Copay
Dispensing fee
Amount billed
Total Public Health Service Pharmacy
Total retail pharmacy
Total mail order
Total individual reimbursement

Drugs by Unduplicated Client (Monthly and annually)

Drug Name
Number of Users (unduplicated client count per drug)
Total Drug Cost Paid by Plan

ADAP Drug Pricing Data (Quarterly)

NDC code
Unit price
Dispensing Fee
Number of Clients receiving drug
New to formulary (Yes/No)
Requires protocol (Yes/No)

Describe your ability and experience in creating reports that describe monthly user activity, separated by HIV positive and HIV negative clients, and prescription drug costs. Include a description of your standard reports, if any, and your ability to create custom reports.

8. Monthly payment (MS 15 points). Contractor shall pay network pharmacies for the prescriptions filled for eligible clients on a weekly basis. Contractor shall submit weekly invoices to DOH for reimbursement. The

invoices will include all fees and costs for claims processed that week. Contractor will also provide a monthly data file that contains all of the previous month's claims-level detail in an electronic format to be determined during negotiation with apparently successful bidder.

Describe your ability and experience in providing payment upfront and then timely submitting for reimbursement at a later time. Include a description of how you ensure that you request reimbursement only for valid claims; include detail about your claims checking processes that eliminate duplicate or invalid claims.

9. Client confidentiality (MS 30 points). Clients' confidentiality is extremely important to DOH. Contractor will maintain high standards of client confidentiality and will not be allowed to use client information for commercial purposes. Contractor will follow the data security agreement described in Attachment 6.

Describe your ability and experience in assuring client confidentiality and any security or confidentiality breaches your company experienced in the past five years. Also, describe how you protect client information from being used for commercial purposes.

10. Logical and operational security controls (MS 70 points). Expectation: DOH expects logical security controls and operational practices that are consistent with [FIPS](#) and [NIST](#) publications as well as any other applicable federal and state regulations which include HIPAA-compliance for data collection, storage and dissemination, network, data center and physical security controls must be consistent with the applicable NIST publications referenced in Exhibit H, sample statement of work.

Please describe the following:

- What is the highest security classification of your system?
- Describe your ability to protect authentication credentials, and the information collected, processed, transmitted or stored. Include a description of the security design and controls to:
 - Restrict access to data.
 - Protect and control data transmissions.
 - Protect the system against unauthorized intruders.
- Describe the operational and logical network security controls.
- Describe the vulnerability management practices.
- Describe the log collection and management practices.
- Describe your data encryption and key management practices.
- Describe the operational and logical controls used for remote access into the network and network systems.
- Describe your IT Risk Management practices.
- Describe the practices for securing databases and application servers.
- Describe the incident response practices.
- Describe the physical, environmental, operational, and logical controls used to secure the data center.
- Describe the data center operational practices.
- Describe the physical controls used to secure office facilities that retain hard copy records.
- Are you able to demonstrate compliance with the HIPAA security and privacy rules?
- Have you completed a security assessment or audit conducted within the last three years? Are you willing to share the results of that assessment/audit?

11. Grievance Process (MS 25 points). Contractor shall develop and maintain a written grievance process for clients and pharmacies to identify and seek resolution regarding delivery of PBM services. The process shall be timely and accessible to clients and pharmacies. DOH must approve the grievance process.

Grievances are disputes or objections regarding the provision of PBM services.

The grievance process must include the following:

1. Ability for clients and pharmacies to file a grievance within 180 days of event.
2. Clear directions for clients and pharmacies to understand how to file a grievance and what to expect once the grievance has been filed.

3. Ability to file grievance via telephone, email, or through written communication.

Contractor shall:

1. Capture client and/or pharmacy identification and contact information.
2. Capture description of the grievance.
3. Provide client and/or pharmacy with an acknowledgement (letter, email, etc.) within five Business Days of receiving the grievance to confirm the receipt of the grievance.
4. Complete a review of the grievance and request any additional information from client and/or pharmacy needed to provide resolution within 20 Business Days of receipt of the grievance.
5. Provide notification of resolution to client and/or pharmacy within two Business Days of completing the review and determining a resolution of the grievance.

The Contractor will maintain records of all documented grievances. The Contractor will document and maintain records of all grievances from clients and pharmacies and review them for the effectiveness of the process and appropriateness of the response and inform DOH of the number of grievances received and the status for resolution.

1. Description of how clients and pharmacies are made aware of the grievance process and given access to the forms. This must include Contractor's grievance forms being available upon request on the phone or by direct mail and provides additional methods to complete a grievance.
2. Description of how clients and pharmacies access and submit the grievance documents that includes email, direct mail, and any other methods.

12. Implementation Components (M not scored).

Implementation Plan – Contractor must provide an implementation plan. The purpose of the plan is to: (1) Define the requirements for implementation of the contract by the go-live date, (2) Describe how information will be shared and distributed with authorized users prior to the go-live date, and (3) Describe how the Contractor will work with authorized users to ensure they are capable of accessing and delivering DOH data during the life of the Agreement. This description of the implementation plan will also include information about how to work with the Contractor's customer service staff during the life of the contract. DOH must approve Contractor's implementation plan.

Implementation Meetings – Contractor must conduct at minimum, weekly implementation meetings with DOH to commence no later than seven days after the award of the contract. The purpose of these meetings is to discuss and/or resolve issues regarding items on the implementation plan and develop a contract management plan. Contractor will continue weekly meetings as needed until the go-live date.

Communication Management Plan – Contractor must develop and maintain a communication management plan in collaboration with DOH. The purpose of the communication management plan is to: (1) Define the communication requirements for the implementation and management of the Agreement, (2) Ensure appropriate communication occurs, and (3) Establish how information will be distributed. All inquiries must be directed to DOH Contract Manager.

Contractor's communications management plan must define:

- a. What information will be communicated—level of detail and format.
- b. How the information will be communicated—in meetings, email, telephone, web portal, etc.
- c. When information will be distributed—the frequency of project communications both formal and informal.
- d. Who is responsible for communicating project information?
- e. Communication requirements for all project stakeholders.
- f. What resources the project allocates for communication.
- g. How any sensitive or confidential information is communicated and who must authorize this communication.
- h. How changes in communication or the communication process are managed.
- i. The flow of project communications.
- j. Any constraints, internal or external, which affect project communications.

- k. Any standard templates, formats, or documents the project must use for communications.
- l. An escalation process for resolving any communication-based conflicts or issues.

Contractor must finalize communications management plan during the implementation phase of the Agreement. DOH must approve Contractor's communication management plan.

Test Phase – Contractor must provide DOH with the ability to test exchanging data between DOH electronic client management system and Contractor's system for a minimum of 10 Business Days prior to the go-live date and allow for sufficient time for changes to be made to the Contractor's system. DOH must also be provided access to test data, data exports, and data reports for a minimum of 10 Business Days prior to the go-live date.

EXHIBIT E - MANAGEMENT PROPOSAL

145 possible points

The purpose of this section is to describe your organization’s relevant staffing levels, structural capacity, business relationships and provide references. If you propose to use sub-vendors, identify the sub-vendor and provide the required information for both you and the sub-vendor.

- 1. Account Management Team (MS 25 points).** Contractor must clearly identify: (1) Each member of Contractor’s Account Management Team, (2) team members’ contact information, and (3) team members’ roles and responsibilities.

The Account Management Team is responsible for monitoring the contract after implementation and ensuring compliance with the terms and conditions of the contract. The Contractor must be able to quickly respond to the needs of DOH. The Account Management Team must include staff that can perform the tasks of a Contract Manager, Finance Manager, and Data Manager.

Contractor’s Contract Manager will serve as the primary contact person and is dedicated to overseeing and managing the contract. The Contractor’s Contract Manager must be available to DOH, via telephone or email during normal service hours.

The Contractor’s Contract Manager’s responsibilities shall include:

- Ensuring compliance with the terms and conditions of the contract.
- Having authority to make decisions on behalf of the Contractor.
- Complying with all HIV standards, requirements, and policies as directed by DOH.
- Recommending program improvements.

The Contractor’s Finance Manager will serve as the primary fiscal contact person that is dedicated to overseeing the contract related to financial management, account reconciliation, disbursements, financial reporting, and researching outstanding payments to determine payment status.

The Contractor’s Data Manager will serve as the primary data contact person that is dedicated to overseeing the contract related to data management, data exchanges, user account management, and resolving data requests.

Any changes to Contractor’s Account Management Team must be immediately communicated to DOH in writing. Changes to the Account Management Team will not require a contract amendment.

Contractor must immediately notify DOH of any staff assigned to this contract that will be taking extended leave, and provide a plan for appropriate coverage as agreed upon between Contractor and DOH in writing.

Bidder’s Response Must Include:

1a. Description of each team member’s title, roles and responsibilities.

Team Member	Team Member Title	Contact Phone	Contact email	Roles and Responsibilities

NOTE: Additional rows may be added

1b. Copy of Account Management Team’s Organization Chart: Contractor’s Org Chart may be provided as an attachment.

2. **Staffing (MS 30 points).** Provide a Staffing and Organization Plan to carry out the proposed work. The plan must include the responsibilities and qualifications of key staff, as well as any sub-vendor who would likely be assigned to this contract. Any staff replaced during the period of performance of any resulting contract must be replaced with staff with equivalent or superior qualifications. Describe how you ensure that you can provide all functions of the contract in the absence of key staff. For example, if you have a staff member leave unexpectedly, describe who would assume their duties and how quickly that would happen. Contractor must have an emergency preparedness plan in place. If you already have one in place please include with the proposal.
3. **Business relationships and references (MS 25 points).** List up to four contracts or similar business relationships you or your proposed sub-vendors have held during the last five years for services similar to the services in this RFQQ. List business name, address, nature of services, contract period of performance, amount of contract, contact person and telephone numbers. Give permission for DOH to contact these organizations.
- a. Using the Reference Form (Attachment 8), provide a minimum of three (maximum of five) references for which you have performed services of a similar nature as the services described in the RFQQ.

Instruct your references to submit the Reference Forms directly to the RFQQ Coordinator at the address below.

Mitch Paris
RE: RFQQ N22601 - Reference
Washington State Department of Health
Office of Contracts and Procurement
PO Box 47905
Olympia WA 98504-7905
E-mail: Mitchell.Paris@doh.wa.gov

NOTE: If less than three references are received, or if they not are submitted directly to DOH by the references, no points will be awarded.

4. **Business with public programs and HIV+ clients (MS 25 points).** Describe all of your contracts or business relationships with public programs in the United States over the past five years and any experience in working with HIV+ clients or at risk for HIV. Also provide information about quality assurance and performance measures your organization has developed and could implement with DOH related to the following two bullet points:
- Established processes for ensuring that services are provided in accordance with Department of Health and Human Services (DHHS) HIV treatment guidelines and standards of care; and
 - Quality Performance Measures developed or established by your organization that monitor client antiretroviral adherence based on prescription refills or other Medication Possession Ratio systems for semi-annual reports and interventions.
5. **Fiscal controls (MS 10 points).** Describe your organization's fiscal controls and accounting practices that assure against fraud or abuse of funds, including how you ensure the fiscal accountability of your sub-vendors. Include a description of how you would take corrective/disciplinary action upon detection of fraud or abuse, and describe how you would notify the DOH. If you have had an American Institute of Certified Public Accountants Statements on Auditing Standards (SAS) No. 70 *Service Organizations* audit, describe the results and include a copy of the audit.
6. **Fiscal capacity (MS 10 points).** No "up front" funds are available through this contract. You must provide services, employ staff, pay claims, and perform all other work and then DOH will reimburse you after you have provided the services. The program's clients currently fill approximately 10,000 prescriptions per month at an average cost of about \$800,000 per month. The number of claims and cost per month has been slowly and steadily increasing.

Describe your ability and experience in providing payment upfront and then timely submitting for reimbursement at a later time. Include a description of how you ensure requested reimbursement only for valid claims; include detail about your claims checking processes that eliminate duplicate or invalid claims.

Describe your fiscal capacity to pay costs and wait up to 30 days for reimbursement.

6. **Conflict of interest (M not scored).** Describe any potential conflicts of interest related to HIV treatment that you or your sub-vendors may have. Some conflicts could include if you or your sub-vendors' companies are owned by a drug company, or if you or your sub-vendors' companies own retail pharmacies in Washington. These relationships do not disqualify you, but need to be fully disclosed to DOH.
7. **Systems analysis (MS 20 points).** Provide a copy of a systems analysis that your company has received over the past three years. Such an analysis could include a performance audit, quality improvement audit, SAS 70 audit, or other internal or external analysis that documents your company's ability to perform the services described in this contract proposal.
8. **Contract Management Plan Evaluation (M not scored).** Contractor must evaluate and as necessary modify the contract management plan quarterly to address issues such as:
 - Proactively provide consultative support and strategic planning to help design program improvements/enhancements, resolve outstanding issues and keep DOH informed of current, developing, and future issues related to this contract.
 - Provide information about other functions and/or services available through the Contractor.

Modifications to the contract management plan must be approved by DOH.

9. **Meetings (M not scored).** Meetings will be conducted via conference calls or in person if requested by DOH. If meetings are requested to take place in person, they will be held in the Tumwater region, or at any other location as designated by the DOH for the purpose of discussing activities associated with the contract.

Contractor may be required to host meetings on their premises. When hosting meetings, Contractor will not be responsible for the travel, lodging, or per diem of any DOH representative.

Contractor must conduct weekly contract management meetings with DOH to commence no later than seven days after the go-live date. Contractor will continue weekly meetings through one quarter and after the first quarter as needed and as requested by DOH.

Contractor will be required to participate in operation/performance review meetings with DOH. These meetings will be held at least twice per calendar year, at a minimum. During these meetings, the Contractor must report and review program performance results including performance problems, solutions and recommendations, and any other agenda items provided by DOH. Additional meetings may be requested by DOH.

10. **Medication Therapy Management (O not scored).** HIV infection requires a high degree of adherence by patients, with well-defined standards of care. MTM is a patient-centric and comprehensive approach that seeks to improve patient care quality by increasing adherence and decreasing healthcare resource utilization. This can be accomplished through establishment of effective partnerships between various healthcare providers to identify and correct gaps in the quality of a patient's medication therapy. This all leads to potentially quantifiable decreases in healthcare costs.

Describe your ability and experience in providing MTM services specific to HIV that are compliant with all current CMS requirements.

EXHIBIT F COST PROPOSAL

(80 possible points)

INSTRUCTIONS:

The cost proposal must include any and all costs the contractor wishes to have included in the contractual arrangement with the State. The bidder should take travel expenses, labor, per diem, overhead, and any other costs related to this service into account in determining the rates proposed.

All travel is to be calculated and will be paid at current State rates (See Attachment 4 – State Travel & Per Diem) and will not exceed Federal per diem rates. Bidders are expected to exercise the same care in incurring expenses and accomplishing the purposes of any authorized travel that a prudent person would exercise if traveling on personal business. Excess costs, circuitous routes, delays, or luxury accommodations while in the performance of official state business are not acceptable and will not be paid.

The purpose of this section is to describe how much would be charged to provide the services described in this contract. Some cost elements of the contract are fixed by DOH, while others are negotiable and will be scored. The fixed elements, which are the amounts you will pass-through to the pharmacies, are listed below and will not be scored.

Fixed cost elements (rates at which you will reimburse pharmacies)

The cost elements in the table below are fixed by DOH through a letter of agreement with the contractor and will not be scored. These are the rates at which a Contractor will reimburse pharmacies for filling prescriptions for DOH clients.

<u>Cost Element</u>	<u>Amount</u>
Drug ingredient cost for prescriptions filled at retail pharmacies	
Brand Products	WAC + 6.25%
Generic Products	Lower of MAC/AWP – 36%
Drug ingredient cost for prescriptions filled at Public Health Service pharmacies (Our current network is closed to new PHS pharmacies to use their 340B status)	
Brand Products	WAC – 26.88%
Generic Products	Lower of MAC/AWP – 50%
Dispensing fee for HIV antiretroviral drugs	\$4.50 per drug
Dispensing fee for non-HIV antiretroviral drugs	\$3.00 per drug

Instructions for describing and quantifying negotiable cost elements

In this section please provide a narrative description and quantify all of the costs that will be charged to DOH to fulfill the terms of this contract. The questions below have two parts to them which are: 1) provide a narrative description of the costs that will be charged to DOH and to pharmacies; and 2) quantify the costs using the Sample Month Cost Matrix provided below.

Answer all of the questions. Questions one through six have corresponding rows in the Sample Month Cost Matrix. After providing a narrative explanations of the costs in questions one through six, quantify them by putting the figures in the Sample Month Cost Matrix. If you do not charge certain fees for which you are asked about in questions one through six, specify such in the narrative and put a zero in the appropriate spot in the matrix.

1. Drug Ingredient Cost (MS 15 points). Describe the drug ingredient costs that will be charged to DOH. These will be *in addition* to the drug ingredient costs paid to pharmacies. If you do not charge DOH any more

than you reimburse pharmacies, specify such in the narrative and put a zero in the appropriate spot in the Sample Month Cost Matrix. Do not include DOH drug rebates into your cost. DOH obtains rebates on its own through the federal 340B rebate process, which defines specific Unit Rebate Amounts for each drug. Contractor will not be required to negotiate for, or obtain rebates on behalf of DOH.

1a) In a narrative, describe the drug ingredient costs that will be charged to DOH when clients get their brand name drugs at retail pharmacies. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 1a.

1b) In a narrative, describe the drug ingredient costs that will be charged to DOH when clients get their generic drugs at retail pharmacies. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 1b.

1c) In a narrative, describe the drug ingredient costs that will be charged to DOH when clients get their brand name drugs at Public Health Service pharmacies. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 1c.

1d) In a narrative, describe the drug ingredient costs that will be charged to DOH when clients get their generic drugs at Public Health Service pharmacies. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 1d.

1e) In a narrative, describe the drug ingredient that will be charged to DOH when clients get their drugs through mail order. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 1e.

2. Dispensing Fee (MS 15 points). Describe the dispensing fees that will be charged to DOH. These will be *in addition* to the dispensing fees paid to pharmacies. If you do not charge DOH any more than you reimburse pharmacies, specify such in the narrative and put a zero in the appropriate spot in the Sample Month Cost Matrix.

2a) In a narrative, describe the dispensing fees that will be charged to DOH when clients obtain their prescriptions for HIV antiretroviral drugs. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 2a.

2b) In a narrative, describe the dispensing fees that will be charged to DOH when clients obtain their prescriptions for drugs other than antiretrovirals. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 2b.

2c) In a narrative, describe the dispensing fees that will be charged to DOH when clients obtain their prescriptions for drugs through mail order. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 2c.

3. Claims processing fee when DOH is the primary payer (MS 10 points). In a narrative, describe the fees that will be charged to DOH to process each pharmacy claim when DOH is the primary payer. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 3.

4. Claims processing fee when DOH is the secondary payer (MS 10 points). Describe the fees that will be charged to DOH to process each pharmacy claim when DOH is the secondary payer and payment has to be coordinated with the primary payer. The majority of these claims will be filled through pharmacies to coordinate benefits through online adjudication and split billing. For some claims, however, Contractor will coordinate benefits with individual clients when they submit hard copy Explanation of Benefits forms for reimbursement.

4a) In a narrative, describe the claims processing fee that will be charged to DOH when DOH is the secondary payer and Contractor coordinates the clients' benefits with a pharmacy. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 4a.

4b) In a narrative, describe the claims processing fee charged when DOH is the secondary payer and Contractor coordinates benefits with individual clients. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 4b.

5. Miscellaneous fees charged to DOH (MS 10 points). Describe any other miscellaneous fees that will be charged to DOH. The narrative and Sample Month Cost Matrix provide space for three miscellaneous fees.

5a) Fee one. In a narrative, describe the basis of the miscellaneous fee and what services will be provided for that fee. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 5a.

5b) Fee two. In a narrative, describe the basis of the miscellaneous fee and what services will be provided for that fee. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 5b.

5c) Fee three. In a narrative, describe the basis of the miscellaneous fee and what services will be provided for that fee. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 5c.

6. Miscellaneous fees charged to pharmacies (MS 10 points). Describe charges that are applied to pharmacies for using your services, such as point-of-sale access or switching fees. These are charges that are not reimbursed by DOH. The narrative and Sample Month Cost Matrix provide space for two miscellaneous fees.

6a) Fee one. In a narrative, describe the basis of the miscellaneous fee and what services are provided for that fee. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 5a.

6b) Fee two. In a narrative, describe the basis of the miscellaneous fee and what services are provided for that fee. In the Sample Month Cost Matrix, quantify the costs and put the figure in Column A, Row 5b

7. Medication Therapy Management (O not scored). If you provide MTM services describe the cost for this service in a narrative.

8. Sample Month Cost Matrix (10 points). Complete the Sample Month Cost Matrix below by applying the costs that were described in questions one through six to Complete Column A by quantifying the negotiable cost elements that were described in questions one through six above. These are the costs that are *in addition* to the amounts the Contractor will reimburse to the pharmacies.

Sample Month Cost Matrix – Quantify costs for a sample month

Cost elements (see questions 1 – 6 above for more detail on each item)	Column A Additional charges to DOH
1. Drug ingredient costs for drugs purchased through:	
1 a) Retail pharmacies - Brand Name	
1 b) Retail pharmacies - Generic	
1 c) PHS pharmacies - Brand Name	
1 d) PHS pharmacies - Generic	
1 e) Mail order	
2. Dispensing fees for:	
2 a) HIV antiretrovirals at pharmacies	
2 b) Other drugs at pharmacies	
2 c) All mail-order drugs	
3. Fee to process claims for which DOH is the primary payer	
4. Fee to process claims for which DOH is the secondary payer and:	

4 a) Contractor coordinates a client's benefits with a pharmacy	
4 b) Contractor coordinates a client's benefits with the client	
5. Miscellaneous fee(s) Contractor charges to DOH (label each)	
5 a) Fee one	
5 b) Fee two	
5 c) Fee three	
6. Miscellaneous fee(s) Contractor charges to pharmacies (label each)	
6 a) Fee one	
6 b) Fee two	
Total	

EXHIBIT G - FINALIST PRESENTATION INFORMATION

100 possible points

ORAL PRESENTATION (IF REQUIRED)

As stated in Section 6 of this RFQQ, it is anticipated that only the bidders with the highest Subtotal Scores will be invited to make a presentation to a selected panel.

The following information is included to help Bidders begin organizing their ideas.

- The entire interview shall not exceed one hour.
- It is anticipated that oral presentations will be conducted at the DOH office in Tumwater, Washington.
- The Bidder's account management and major subcontractors who would work directly on the DOH account shall play a major role in the presentation (not to exceed five people).
- At a minimum, Finalists should be prepared to give an oral presentation based on their Technical, Management and Cost Proposals. Demonstrations of system capabilities will also be required.

Specific evaluation criteria will be provided at the time of notification.

EXHIBIT H - SAMPLE STATEMENT OF WORK

PHARMACY BENEFITS MANAGEMENT

Includes HIV Positive (EIP) and HIV Negative (PrEP DAP)

PURPOSE

This statement of work generally describes the Contractor responsibilities under the pharmacy benefit management contract with the Department of Health ID/HIV hereafter called DOH. DOH and the selected contractor will negotiate minor modifications and changes to the Sample Statement of Work.

Communications

In written/fax/email/web communication with pharmacies, the Contractor will refer to this program as the Washington State Department of Health Early Intervention Program (EIP) or Pre-Exposure Prophylaxis Drug Assistance Program (PrEP DAP). In written/fax/email/web communication with clients, the Contractor will refer to this program as Early Intervention Program (EIP) or Pre-Exposure Prophylaxis Drug Assistance Program (PrEP DAP). In all communication with pharmacies, clients, and others, the contractor will refer to itself as XXX COMPANY.

Pharmacy network

The Contractor will establish and maintain a statewide pharmacy network to serve DOH clients that is accessible on the Contractor website which includes the following:

1. Over-the-counter (chain store and independent pharmacies)
2. Institutional (i.e. University based hospitals, county hospitals, Health Maintenance Organizations)
3. Specialty (i.e. HIV targeted services)
4. Mail order

The Contractor will maintain an open enrollment process that will allow additional pharmacies to enter the network that meet the following criteria and adhere to program policy:

- 1) Have no licensure encumbrance by any state or federal law;
- 2) Have a license issued by the residing State; and
- 3) Be willing to accept reimbursement provided by the Contractor at the retail pharmacy rate.

The Contractor will adhere to existing WA EIP policy of not admitting additional 340B Covered Entity pharmacies into the network without State approval.

In the open enrollment process, pharmacies enter a contractual agreement with the Contractor. The contract will stipulate that pharmacy providers are independent contractors. As independent contractors, the Contractor will not supervise, direct or otherwise intervene in their provision of pharmacy services. The contract shall also state that providers must operate in compliance with service standards, maintain adequate inventory, and fill prescriptions promptly.

The pharmacies must maintain insurance and hold the Contractor and DOH harmless and maintain adequate insurance. The contractual agreement between the Contractor and the pharmacies will include the following language regarding the Hold Harmless clause and insurance:

Hold Harmless The Provider shall look only to XXX COMPANY for compensation for services rendered to a Member for covered services under a SPONSOR Agreement. The Provider agrees not to bill, charge, collect a deposit from, seek compensation from, seek remuneration from, surcharge or have any recourse against Member or persons acting on behalf of Member (other than XXX COMPANY), except to the extent that shares of cost are specified in the applicable SPONSOR Agreement. Provider agrees not to maintain any action at law or in equity against a Member to collect sums that are owed by XXX COMPANY to Provider under the terms of this Agreement, even in the event XXX COMPANY fails to pay, becomes insolvent or otherwise breaches the terms and conditions of this Agreement. This section shall survive termination of this Agreement and shall be construed to be for the benefit of Members. This section is not intended to apply to services provided after this

Agreement has been terminated, except as otherwise provided in this Agreement, or with respect to non-covered services. The Provider further agrees that this provision supersedes any oral or written agreement, hereinafter entered into between Provider and Member or persons acting on Member's behalf, insofar as such agreement relates to payment for services provided under the terms and conditions of this Agreement.

Pharmacy Liability Insurance Provider shall furnish and keep in full force and effect at all times during the term of this Agreement, the following insurance or, if self-insured provide to XXX COMPANY written representations or certificates of such self-insurance satisfactory to XXX COMPANY:

- A. Worker's Compensation
 - 1. Statutory Compensation Coverage
 - 2. Employer's Liability Insurance with limit not less than \$1,000,000.
- B. General Liability
 - 1. Limits of Liability: \$1,000,000.00 per occurrence combined single Limit Bodily Injury and Property Damage.
 - 2. Coverages: Bodily Injury, Broad Form Property Damages, Blanket Contractual Liability
- C. General Liability
 - 1. Limits as stated in #2.
 - 2. Coverage: Personal Injury
- D. General Liability
 - 1. Limits as stated in #2.
 - 2. Coverage: Products/completed operations
(any deductible is not to exceed \$1,000.00 per occurrence on all Comprehensive General Liability coverage.)
- E. Professional Liability
 - For all professional employees licensed as a condition of employment, insuring against error or omission in rendering or failing to render professional services.
 - 1. Limits of Liability: \$1,000,000 per claim
 - 2. Deductible not to exceed \$1,000 per claim

Provider will provide evidence of such insurance or self-insurance to the satisfaction of XXX COMPANY within thirty days after execution of this Agreement. Failure to maintain the aforementioned insurance shall constitute grounds for termination of this Agreement.

If a pharmacy provider does not meet the Contractor's service, inventory and timeliness standards, the Contractor will notify DOH to discuss whether the pharmacy provider should be allowed to enter or stay in the pharmacy network.

The Contractor will inform DOH when there are changes in the pharmacy network and notify DOH in a timely manner of problems or emergent situations.

The Contractor will routinely communicate with pharmacies in the network to inform them of program issues, such as formulary updates, changes in how DOH interacts with insurance companies or other government payers, and other relevant issues. The Contractor will use its Fax-Broadcast System, which allows it to distribute program information to network pharmacies via facsimile. The Fax-Broadcast System will function by faxing text documents to designated recipients overnight. The Contractor will also provide DOH with copies of broadcast faxes that go to the entire network. The Contractor may alternately communicate with pharmacies via email. Email shall be the primary mode of communication for chain stores.

The Contractor will also provide relevant information on its non-secured web site, which has a menu option for pharmacies. The web site has a section for non-participating pharmacies as well as pharmacy providers in the network. Pharmacies that have Internet access may use the web site to obtain updated program information. The network pharmacy section of the Contractor's web site will be password protected and contain the following:

- A list of covered medications, with an option to print the most recent formulary; and
- Pharmacy provider forms, with an option to print the selected form(s)

The Contractor will also use its Pharmacy Provider Manual as an additional communication tool. The Contractor will provide the Pharmacy Provider Manual to DOH as requested. The manual will contain the following items regarding Washington State's prescription drug program:

- General program information;
- Prescription processing: prior authorization procedures, exceptional prescription processing, supplemental forms used in prescription processing;
- Program administration information;
- Client service information; and
- Master forms for reproduction.

The Contractor may also communicate by mailing informational documents to its network pharmacy providers via US Postal Services or Federal Express.

Pharmacy Credentialing

In order to ensure compliance to the Contractor's pharmacy network participation requirements, the Contractor shall update all Contract Pharmacies' credentialing files at least once annually, per calendar year. The Contractor's credentialing files will include at a minimum, verification of pharmacy license, pharmacy insurance coverage levels, and pharmacy address and contact information. Pharmacies will need to annually attest their PHS or Non PHS status and reaffirm that they will not use their 340B stock or status if they are not a DOH grandfathered entity.

Drug cards

The Contractor will produce prescription drug cards for use when clients go to the pharmacies to get their prescriptions filled. The Contractor will mail eligibility cards directly to the client within seven business days of being notified by DOH that the client is eligible for the program. Any items mailed will be sent in envelopes without any reference to HIV or AIDS on the outside of the envelope.

The prescription drug cards will contain patient identification information that pharmacy providers use to identify eligible clients. The card will be designed according to the format and specified fields of information as defined in the National Council for Prescription Drug Programs (NCPDP) Health Care Identification Card Pharmacy Implementation Guide. The Contractor may include other fields of information with DOH approval. Information will be typed or printed on the cards. For confidentiality purposes, they must not include HIV or AIDS anywhere on the cards. The Contractor must receive DOH approval of the card prior to distribution.

The Contractor must have procedures for pharmacies to verify the eligibility of a client when there is no eligibility card available. Providers may call the Contractor's toll free line and speak to any of the Contractor's help desk staff during regular business hours or they can use the Contractor's touch tone operated automated system 24 hours a day to verify a client's eligibility status.

The Contractor must be in compliance with HIPAA's Privacy Standard for Individually Identifiable Health Information.

Claims processing

The Contractor shall electronically adjudicate claims submitted by the pharmacies, to allow such pharmacies to do online point-of-sale adjudication, split billing, and coordination of benefits as specified in the Dispensing Guidelines. Contractor shall be in compliance with the NCPDP standards for pharmacy drug claims and coordination of benefits (located at <http://www.ncdp.org/>).

The Contractor's Dispensing Guidelines shall include the program billing and plan guidelines as reviewed and approved by DOH. The Contractor's Dispensing Guidelines for the program will be reviewed on an annual basis, approved for use by DOH for each calendar year. DOH may request Dispensing Guideline changes exceeding the annual frequency. Before commencing the development of changes that fall outside of the annual frequency, DOH shall submit a formal change request to the Contractor. The Contractor will

provide DOH with an estimate of the requested changes billable at the ad hoc consulting billing rate as specified in the Exhibit – Cost Proposal.

For prescription transactions submitted by pharmacies electronically via NCPDP Telecommunication Standard billing, the Contractor will use an electronic screening procedure to validate the submission of the electronic claim according to the Contractor's NCPDP payer sheet. Standard NCPDP reject messages will be used to flag transactions that do not comply with the Contractor's NCPDP payer sheet for the program and/or Dispensing Guidelines. Examples include the following:

- Flag transactions transmitted outside of a client's eligibility dates with a message indicating, "**Filled after coverage terminated**" and for transactions transmitted for invalid clients, with a "**Non-matched Cardholder ID**" on-line message.
- Flag "**Too Soon Refill**" when the refill is submitted earlier than the allowed drug utilization refill rule. This technique is used to review and process changes in prescription directions, and prevent duplicate claim processing.
- Flag a pharmacy claim at the point of service with a message to the pharmacy alerting the pharmacist to a variety of treatment standards using the Drug Utilization Reviews (DUR). Examples of such standards include low or high doses, drug-drug interactions, therapeutic duplication of products, and allergies to specific products as reported to the pharmacy by the client.
- Flag non-formulary products with a "**NDC Not Covered**" on-line message. This prevents the dispensing **of non-formulary drugs** without the proper approval.
- Flag a pharmacy claim when plan limitations are exceeded.
- Flag specific transactions for clients having other primary/secondary coverage, with messages that require coordination of benefit billing to include, "**Missing/invalid other coverage code**". This forces the pharmacy to bill a primary payer first.
- Flag designated formulary items with a "**Prior Authorization Required**". This message would be used to force a pharmacy to obtain prior approval before dispensing a drug with state imposed criteria for use.

Electronic Data Exchange/Interchange

The Contractor shall facilitate the file exchange processes that are required in the monthly Data Sharing Agreement (DSA) that has been established between DOH and CMS. The purpose of the ADAP data sharing agreement process is to coordinate the prescription drug benefits between Medicare Part D plans and ADAPs, as specifically required by the MMA and subsequent law.

The Contractor shall utilize a unique Prescription Benefit International Number (Rx BIN) and/ or unique Pharmacy Benefit Processor Control Number (PCN) to code for coverage that is supplemental to Medicare Part D. This unique coding shall assure that the supplemental paid claim is captured by the CMS TrOOP Facilitation contractor in the claim response from the payer to the pharmacy provider.

Monthly tasks necessary to complete the requirements of the CMS DSA are:

1. The Contractor (as the ADAP designated partner) submits a monthly electronic input file of all enrollees to the COBC.
2. The COBC reviews the input file for consistency, and attempts to match those enrollees with Medicare Part D enrollment.
3. Where the COBC determines that an enrollee on the ADAP file is a Medicare Part D beneficiary, the COBC updates that record to the CMS Medicare Beneficiary Database (MBD), which holds prescription drug coverage information on all Medicare Part D beneficiaries. The MBD will send daily updates of all prescription drug coverage of Part D beneficiaries to the TrOOP Facilitation Contractor and to the Part D plan that the beneficiaries are enrolled in.
4. The Contractor receives a response file sent by the COBC to the Contractor via the same method used to submit the input file. This file contains a response record for each input record the ADAP submitted.

5. The Contractor then examines the response file to determine whether: The records were applied; the COBC was not able to match the ADAP enrollee in the CMS systems; or the records were not applied because of errors.
6. The Contractor updates its internal records on the Part D enrollment of its enrollees.
7. When the Contractor submits the next monthly full input file, it also sends corrections of all the errors from the previous submission.

The Contractor shall participate in the facilitation of data exchange and sharing services with other Contractors of DOH or other entities as directed by DOH. This data exchange will include information related to the eligibility of individuals to receive services, required demographic data, and personal information to the minimum extent necessary to access prescription benefit services managed by the Contractor.

Data sharing services shall include:

1. Transmission of a custom or standard electronic data interchange (EDI) file containing data elements shall be mutually agreed upon by DOH, DOH designated contractor and the Contractor.
2. These files will be transmitted in a secured FTP website or other secure method of electronic data transfer as determined by the Contractor, DOH and the DOH designee.
3. The frequency of transmission of the EDI files shall be no less than daily or otherwise mutually approved by the Contractor, DOH and the DOH designee.

Before commencing the implementation or modification of EDI files, DOH shall submit a formal change request to the Contractor. The Contractor will provide DOH with an estimate of the requested changes billable at the ad hoc consulting billing rate as specified in the Exhibit – Cost Proposal.

Formularies

DOH will define the program's formularies, which includes individual drugs and classes of drugs. The Contractor will provide the following formulary management services:

1. Selection and maintenance of all current data elements for drugs included on each formulary.
2. Notification to pharmacies, and DOH staff of formulary changes.
3. Electronic update of formulary drug prices at least weekly.
4. Maintenance of a Contractor web site providing formulary information.
5. Enforcement of prior authorization or code 1 diagnosis requirements for selected formulary items.

DOH will direct the Contractor to add or subtract specific drugs or classes of drugs via a formal program administrative change process. The Contractor will automatically add drugs to the approved classes when new drugs in those classes are approved by the federal Food and Drug Administration. The Contractor will add or subtract individual drugs identified by DOH within 72 hours.

For the purpose of adding drugs to approved classes when the FDA adds new drugs to those classes, entire classes of drugs will be linked by a unique drug classification codes as managed by the Contractor's drug pricing compendium.

Technical support to DOH, pharmacies and clients

The Contractor will provide technical support to DOH staff, pharmacies, and clients. The Contractor will maintain a staff that includes licensed pharmacists, pharmacy technicians, and additional staff that assist in the enrollment and eligibility process.

The Contractor will maintain the following business hours:

Resource	Mon – Fri	Sat	Sun
Help Desk: Pharmacy support	8:00 a.m. – 7:00 p.m. PT	9:00 a.m. – 5:00 p.m. PT	N/A
Help Desk: Clients, DOH support	8:00 a.m. – 7:00 p.m. PT	9:00 a.m. – 5:00 p.m. PT	N/A
Help Desk: Claims/finance support	8:00 a.m. – 5:30 p.m. PT	N/A	N/A
Help Desk: Technical Application Support	6:00 a.m. – 6:00 p.m. PT	N/A	N/A

Pharmacy providers, clients, and/or DOH staff who call the Contractor to speak to a live person will have a maximum hold time of 3 minutes.

The Contractor will also provide a secure telephony system (Electronic Eligibility Verification System (EEVS)) for pharmacy providers and DOH staff to access 24 hours a day. The EEVS will enable authorized callers to verify client eligibility information via telephone.

Internet web site

The Contractor will provide an Internet web site that will be available 24-hours a day. The non-secure web site will be available to anyone with Internet access and feature the following:

- Updated program information (i.e. program eligibility requirements);
- A search tool used to identify participating pharmacy providers by city, zip code, or county;
- The Contractor pharmacy provider forms, with an option to print the selected form(s) and;
- The formulary, with an option to print the latest version.

The Contractor’s non-secured web site will have a menu option for pharmacies. This portion of the web site will have a section for non-participating pharmacies as well as pharmacy providers in the network. Pharmacies that have Internet access may access the Contractor’s non-secured web site to obtain information on how to become a participating pharmacy.

Grievance procedures

The Contractor will provide grievance procedures for clients and pharmacy providers to address grievances regarding the provisions of the services or related to a Contractor contract or administration issue.

The Contractor will maintain a formal grievance process whereby responses to grievances are provided within 5 business days of receipt of the grievance. The Contractor will share its formal grievance process with DOH as requested by DOH.

The Contractor will maintain records of all documented pharmacy provider and client grievances. As part of the Contractor’s Contract Management Plan, the Contractor will document all grievances and review them for the effectiveness of the process and appropriateness of the response.

System access

The Contractor grants to DOH a revocable, non-exclusive, and non-transferable limited right and license to use Contractor’s On-Line System, hereafter called XXX COMPANY PBM-ADAP, consistent with the terms of this Agreement generally and DOH’s responsibilities specifically. DOH’s right and license to use the On-Line System shall automatically terminate upon the effective date of termination of this Agreement. All rights, title, and interest in and to the On-Line System are and shall remain the sole and exclusive property of the Contractor. If the Contractor reasonably suspects that the integrity or security of the On-Line System has been compromised due to access by or through DOH, Contractor has the right to restrict or suspend

DOH's access to the On-Line System pending investigation and remediation. Such restriction or suspension shall not constitute a default by Contractor under this Agreement.

DOH will access and use XXX COMPANY PBM-ADAP solely from locations within the United States and solely for internal information management purposes. DOH shall not use XXX COMPANY PBM-ADAP System for any other purpose or for the benefit of any other party.

Data system and enrollment processes

The Contractor will receive updated client demographic and eligibility information from DOH via, XXX COMPANY PBM-ADAP, and/or other electronic data transfer means such as secure transfer file. Once received, the Client file information submitted will be processed within twenty-four hours from the time of receipt. During emergency enrollment situations during the Contractor's business hours, DOH staff may call the Contractor to update client file information. Emergency updates received by the Contractor via telephone will be processed within 60 minutes after the call. Only authorized DOH personnel, including DOH Eligibility Specialist and their supervisor, may enroll clients.

- **Contractor's In-house Data Processing:** The Contractor's data systems will be scalable and accommodate increases in the client database and claims processing that will result from services provided to DOH.

Data security

DOH has classified this data as **Restricted**. Restricted data is the most sensitive information collected by the department. Its unauthorized access or disclosure would have significant adverse impact on the agency, business partners, employees or the public.

The Contractor will provide the technical environment necessary to secure the client demographic and eligibility information received under this contract. The Hardware, Communications, and Software will be housed in a secure and fault-tolerant data center with an appropriate level of security controls for the protection of high impact information systems, as defined by the Federal Information Processing Standards (FIPS) 199. At a minimum the Contractor must have implemented physical, environmental, and administrative security controls that meet or exceed those described for high impact information systems in FIPS 200 and in the National Institute of Standards and Technology (NIST) Special Publications SP800- 53 Rev 3 and SP800-53 A Rev 1.

The Contractor will have successfully implemented security controls that meet or exceed those described in the following NIST publications: SP800-40, SP800-41, SP800-44, SP 800-50, SP 800-61 Rev. 1, SP 800-63 Rev. 1, SP800-64 Rev. 2, SP 800-81 Rev. 1, SP800-83, SP800-92, SP 800-94, SP800-114, SP800-115, SP800-122, SP800-123, SP800-128, SP800-137, and as applicable, SP800-95, SP800-97, SP800-125, SP800-144.

Should the Contractor host Internet facing applications that access the restricted data it will have successfully implemented application authentication controls that provide a high level of confidence in the identity of individuals. Identity proofing mechanisms must meet or exceed those described in NIST SP 800-63 for information requiring assurance level 3 or higher. The Contractor will have also implemented application development practices consistent with NIST SP800-64.

The Contractor will have implemented security controls that allow remote access into the network only with two-factor authentication. One of the factors must be provided by a device separate from the computer gaining access.

The Contractor will assure that the data is encrypted, using key lengths of 128 bits or greater, when transmitted across open untrusted networks and when at rest, using algorithm modules validated by the National Institute of Standards and Technology (NIST) Cryptographic Module Validation Program (CMVP).

<http://csrc.nist.gov/groups/STM/cavp/validation.html> <http://csrc.nist.gov/groups/STM/cmvp/documents/140-1/1401vend.htm>

The system must be backed up at least once daily and encrypted using algorithm modules validated by the National Institute of Standards and Technology (NIST) Cryptographic Module Validation Program (CMVP). The encryption key lengths must be a minimum of 128 bits, with 256 bits used whenever possible. The

backups must be stored offsite at a facility secured in a manner that is consistent with the access controls and the physical and environmental protection controls described in NIST SP800-53 for high impact systems.

The Contractor must be able to recover the system within 48 hours following a disaster or major disruption.

Compliance with the Washington State Office of the Chief Information Officer (OCIO) IT Security Standards is required. For the purposes of this RFQQ, compliance with HIPAA security and privacy requirements and the above referenced FIPS and NIST publications indicates compliance with the OCIO requirements.

The Contractor will conduct internal security audits annually and independent security audits at least once every three years. The audits must confirm compliance with the terms of the scope of services for the security and confidentiality of information collected, transmitted, processed or stored under the contract. The audits must also confirm continued compliance with HIPAA security and privacy requirements. The Contractor will provide DOH with the results of these audits and plans to correct identified deficiencies.

Reports

XXX COMPANY will provide DOH staff with training and technical assistance on their online reporting system and on other ways we can use this site to generate our own reports and monitor/improve work processes. XXX COMPANY will provide reports to DOH via their online system for weekly data files on prescription utilization with the necessary data elements to effectively submit pharmaceutical rebate requests and reports on agreed upon quality performance measures. DOH expects all XXX COMPANY reports to be checked for accuracy and quality assurance before being sent to DOH, such as no "0" identification numbers, when client Identification number is not known.

Examples of reports:

Drug Usage by Manufacturer (Quarterly).

This data should match the invoice weekly files for the quarter.

- Name of Manufacturer
- NDC Number
- Drug Name
- Quantity (or units)
- Rx Count (or # of claims/prescriptions)
- Total Cost
- Average Cost

Antiretroviral Adherence Performance Measure (Semi-annually)

The Contractor is to provide semi-annual reports to DOH on the number of times their adjudication system with pharmacies identifies and rejects an inappropriately prescribed antiretroviral drug dosage, so that DOH can use this information in our quality management reports.

The Contractor will generate quality assurance reports that verify the accuracy of invoices submitted to DOH, and to verify the accuracy of reimbursements issued to pharmacy providers. The Contractor will generate the following reports:

- Pharmacy File Errors – i.e. Duplicate NABP codes;
- Drug File Errors – i.e. Duplicate NDC codes;
- Patient File Errors – i.e. Duplicate Patient ID or Federal ID Codes;
- History File Errors – i.e. Duplicate claim reference numbers, duplicate prescriptions;
- Incorrect Claim Prices – i.e. Variances in claim prices in comparison to drug prices from the Contractor's Drug Pricing Source ;
- Claim Back-out Processing – Identifies each pharmacy claim back-out.
- Quality Performance Measures – The Contractor will work to develop a performance measure with DOH that monitors client antiretroviral adherence based on prescription refills or other Medication

Possession Ratio semi-annually.

These internal reports identify for further review, transactions that are for unusual quantities and/or dosages, and those that may represent a duplicate transaction.

The Contractor shall provide scheduled reports to DOH as mutually agreed upon. The agreed upon scheduled report list shall be reviewed on an annual basis.

The Contractor will also maintain the capacity to provide ad hoc reports to DOH. The cost of the reports will depend on the complexity and desired turnaround time, and will be negotiated between the Contractor and DOH at the time DOH requests the reports. Once the Contractor receives a written request for information from DOH, the Contractor will review the specifications. If any clarification is needed, the Contractor will seek clarification in writing. At the completion of the data request assessment, the Contractor will notify DOH of the date when the requested reports will be available. This time frame can be anywhere from 48 hours to 10 days.

Weekly reimbursement

The Contractor will pay pharmacies and submit invoices to DOH for reimbursement on a weekly basis. Prior to submitting the weekly invoice, the Contractor will verify and correct each claim identified in its claim error reports. Once all transactions are complete, the Contractor will process a weekly invoice to DOH in a format specified by DOH. The invoice shall include all fees and costs and be accompanied by a cover page that includes miscellaneous charges or credits to DOH. The Contractor will pay pharmacies on a weekly basis. The three-week waiting period from the start date of the contract is necessary to allow time to cycle through pharmacy claim reversals, back-outs and suspensions.

Once per month, the Contractor will provide a data file in a suitable electronic format specified by DOH that contains all of the previous month's claims-level detail and any necessary adjustments from prior transactions. DOH will reconcile the monthly data with the invoices that the Contractor submitted for the month prior to paying the final claim for the month. The Contractor will also provide paper backup documentation on a monthly basis that includes claims-level detail that is organized by client group number.

To pay pharmacies, the Contractor will generate a weekly Pharmacy Payment Report. The Contractor's Pharmacy Payment Report will list all pharmacies eligible for pharmacy payment within the invoicing period. This report will be generated within five days of the end of the invoicing period. Once the Pharmacy Payment Report has been generated, payments are sent to the providers either by check or electronic funds transfer, within ten days from the date the Pharmacy Payment Report was generated. The Contractor will send with each payment, a remittance advice giving the provider a line item detail of the claims submitted and the corresponding payment. The remittance advice will include information regarding paid claims, pharmacy back-out claims, and claims that have been suspended as a result of our claims processing quality assurance protocols. The remittance advice will not include client names.

Coordinate with other payers

Many DOH clients receive partial services from other state agencies or large managed care organizations, including such entities as University of Washington and the Washington State Health Insurance Pool. The Contractor will make a concerted effort to coordinate with these entities to develop working arrangements that will facilitate payment for services, eliminate client payment burdens, and assure clients' coordination of benefits. The Contractor will report its efforts to DOH.

Medication Therapy Management for HIV positive clients (MTM) (Optional dependent upon successful bidder)

The Contractor shall provide MTM services to designated HIV positive clients. MTM services will be provided by clinical pharmacists licensed to provide services in the State of Washington. Contractor will conduct annual Comprehensive Medication Reviews "CMR" and three quarterly Targeted Medication Reviews "TMR", or four quarterly Targeted Medication Reviews "TMR". The services are delivered to monitor each patient's medication therapy, develop patient-specific medication action plans to educate patients, reduce adverse events, improve outcomes and control costs. As part of the delivery of MTM services, the MTM pharmacist shall monitor the client's medication profile with adherence to Formulary standards, current published dosing guidelines and therapy optimization opportunities.

Client confidentiality

Client confidentiality will be a priority for the Contractor. For hard copy records, anything that must be kept for an unspecified amount of time must be kept in file cabinets located in an employee only area.

Documents that the Contractor may dispose of after processing must be gathered and shredded on premises on a daily basis. The Contractor's office will remain locked at all times to protect its hard copy documentation as well as its computer network. Authorized personnel must have keys and a staff member must let in all visitors. The office shall be protected by a monitored alarm system that will automatically notify the police department when triggered.

The Contractor's Personnel Policy and Procedures manual will address confidentiality. All employees will sign oaths of confidentiality, which must meet DOH criteria for confidentiality. The Contractor will conduct an annual confidentiality workshop for employees that will reinforce the importance of confidentiality. The workshop will use exercises, such as role-play, to identify situations in its day-to-day activities when confidentiality can be compromised and how to handle those situations. The Contractor's Executive Committee, who is responsible for overseeing day-to-day operations, and an independent contractor, develop the workshop's content. The Contractor will provide DOH with a copy of the confidentiality section of its Personnel Policy and Procedures manual.

The Contractor must be in compliance with HIPAA's Privacy Standard for Individually Identifiable Health.

ATTACHMENT 1 - SAMPLE CONTRACT



**CONTRACT NUMBER
N22601**

THIS CONTRACT is entered into in duplicate originals by and between the State of Washington, acting by and through the Washington State Department of Health, an agency of Washington State Government hereinafter referred to as "DOH," located at 101 Israel Road SE, Tumwater Washington, 98501, and firm named below, hereinafter referred to as the "Contractor."

(CONTRACTOR NAME)

(ADDRESS)

(CITY, STATE ZIP)

Phone:

Email:

WA State UBI Number:

Statewide Vendor Number

PURPOSE

IT IS MUTUALLY AGREED THAT: The Department of Health issued RFQQ N22601 for the purpose of contracting with a qualified vendor to provide insurance benefits management services for its clients.

This contract serves to implement the services described in the RFQQ and the Contractor's proposal in response to the RFQQ. DOH has determined that entering into this contract will meet agency needs and will be in the agency's best interests. This Contract is not exclusive. During the term of this Contract, the Department may obtain similar services from other service providers.

At DOH's sole option, this contract may be extended via amendment signed by both parties in any time increments DOH deems necessary for up to **{insert number}** years not to exceed a total of 10 years. Work performed without a contract or amendment signed by authorized representative of both parties shall be at the sole risk of the Contractor. **DOH shall not pay, any costs incurred before a contract or any subsequent amendment is fully executed**

STATEMENT OF WORK: The Contractor shall provide all the necessary personnel, equipment, materials, goods and services and otherwise do all things necessary for or incidental to the performance of the work as described in **Exhibit X, Statement of Work** attached hereto and incorporated herein.

PERIOD OF PERFORMANCE: Subject to its other provisions, the period of performance under this contract shall be from **DATE OF EXECUTION** through **xxxxxx** unless sooner terminated as provided herein. **Do not begin work without a signed contract or amendment. No billable activity may take place until this contract and any subsequent amendment has been signed by authorized representatives of both parties.**

CONSIDERATION: The maximum consideration available for satisfactory performance and completion of the work under this contract is **{AMOUNT}** payable in accordance with **{EXHIBIT X} negotiated statement of work**, which is attached and incorporated herein. This amount shall not be exceeded without an amendment signed by representatives authorized to bind the parties.

SOURCE OF FUNDS: FEDERAL: \$XXX STATE: \$XXX OTHER: \$XXX TOTAL: \$0.00
 Federal funds disbursed through this contract were received by DOH through OMB Catalogue of Federal Domestic Assistance Number: XX.XXX. Contractor agrees to comply with applicable rules and regulations associated with these federal funds.

In the event state funds are provided through this contract, unless otherwise indicated and executed with an amendment to this contract, any state fiscal year (July – June) state funds which are unexpended as of June 30th, will not be available for carry over into the next state fiscal year.

INVOICES AND PAYMENT: Contractor shall submit correct invoices to DOH Project Manager for all amounts to be paid by DOH hereunder. All invoices submitted must meet with the approval of the Project Manager or their designee prior to payment, which approval shall not be unreasonably withheld. Contractor shall only submit invoices for Services or Deliverables as permitted by this section of the Contract. The Contractor shall not bill DOH for services performed under this contract, and DOH shall not pay the Contractor, if the Contractor is entitled to payment or has been or will be paid by any other source, including grants, for that service.

DOH will return incorrect or incomplete invoices to the Contractor for correction and reissue. The Contract Number and order number must appear on all invoices, bills of lading, packages, and correspondence relating to this Contract. All payments to Contractor shall be remitted by mail. Invoices must reference this Contract Number and provide detailed information as requested by DOH.

DOH will make payment to the Contractor within 30 days upon receipt of properly executed invoice vouchers. **(Note: Failure to submit a properly completed IRS form W-9 may result in delayed payments.)** Upon expiration of the contract, any claims for payment for costs due and payable under this contract that are incurred prior to the expiration date **must** be submitted by the Contractor to DOH within **60 days** after the contract/agreement expiration date. Belated claims shall be paid at the discretion of DOH and are contingent upon the availability of funds.

ELECTRONIC PAYMENT: In order to receive payment, Contractors are required to be registered with the Statewide Payee Desk maintained by DES for processing Contractor payments. Purchasers who are Washington state agencies cannot make payments to Contractor until Contractor is registered. Registration materials are available here: [Receiving Payment from the State](#).

CONTRACT MANAGEMENT

The Contract Manager for each of the parties shall be the contact person for all communications and billings regarding the performance of this contract.

CONTRACTOR Contract Manager Information	AGENCY Contract Manager Information
Enter Contract Manager's Name	Enter Contract Manager's Name
Enter Name of CONTRACTOR	Enter Name of AGENCY
Enter CONTRACTOR Address	Enter AGENCY Address
Enter City, State & Zip Code	Enter City, State & Zip Code

Phone : ()	Phone: ()
Fax: ()	Fax: ()
Email address:	Email address:

HOURS AND OVERTIME

CONTRACTOR agrees that rates provided in this Contract assume that work is performed during Business Days and Hours. Overtime rates are not allowed unless required by state or federal law. Further, prices are to be considered all-inclusive hourly rates to include all expenses (e.g., overhead, taxes as applicable, insurance, and administration including but not limited to the management fee) except, in limited circumstances.

REMOTE ACCESS TO NETWORK

CONTRACTOR understands that in order to obtain remote access to DOH’s Local Area Network (LAN), email, or supported computing environments through a remote access connection (“Remote Access”), CONTRACTOR must comply with DOH’s Remote Access policy and any other applicable policies or procedures. CONTRACTOR shall, prior to access, complete and sign any applicable agreements or forms. Remote Access is conditioned upon final approval by DOH.

ONSITE SYSTEM SECURITY

CONTRACTOR acknowledges and understands that it may be required to access DOH computer networks in performing its work under this Contract and that in providing such access to CONTRACTOR, DOH places special confidence and trust in CONTRACTOR. CONTRACTOR acknowledges and understands that any access granted by DOH to its computer networks shall be limited, restricted and conditioned upon the terms of this Contract and CONTRACTOR’s compliance with certain DOH policies and practices.

CONTRACTOR warrants that it will perform all work for or on behalf of DOH in full compliance with all applicable federal standards and guidelines referenced in the SOW, and any other security documents and best practices provided by DOH (Security Policies).

CONTRACTOR agrees that the Security Policies shall serve as the standard for network and data security and warrants that it shall comply with the Security Policies with respect to 1) electronic transfer of information (e.g., code or data); and 2) prevention of unauthorized access, use, modification, or disclosure of any information acquired while performing work under this contract in any manner; this includes, but is not limited to, information that may be reasonably expected to compromise the availability, integrity or confidentiality of data, code, software, or DOH networks, systems or data. Minimum expectations and recommended coursework are set forth here: OCIO Standard #141.10 - Securing Information Technology Assets: <https://ocio.wa.gov/policies/141-securing-information-technology-assets/14110-securing-information-technology-assets>

OFFSHORE PERFORMANCE OF WORK PROHIBITED

Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Washington or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. This provision applies to work performed by subcontractors at all tiers.

OWNERSHIP OF AND ACCESS TO DATA.

Each party is, and shall remain the owner of and retain all right, title and interest in and to any data that it owned prior to the Effective Date of this contract; in and to any data to which it may hereafter acquire ownership. Without limiting the generality of the foregoing, DOH shall own all right, title and interest in and to DOH Data.

Except as otherwise provided in the Contract, no party shall be obligated to convey any right, title and/or interest in any data to the other. Subject to the terms of the Contract, including the license rights granted to DOH hereunder, each party, upon request of the other, shall promptly return to the other any data owned by the other that may have been disclosed hereunder. Vendor shall provide DOH access to all State Data generated or arising under the Contract, and any other documents arising under the Contract, all at no additional charge.

GIFTS AND GRATUITIES

CONTRACTOR shall comply with all state laws regarding gifts and gratuities, including but not limited to: [RCW 39.26.020](#), [RCW 42.52.150](#), [RCW 42.52.160](#), and [RCW 42.52.170](#) under which it is unlawful for any person to directly or indirectly offer, give or accept gifts, gratuities, loans, trips, favors, special discounts, services, or anything of economic value in conjunction with state business or contract activities.

Under [RCW 39.26.020](#) and the Ethics in Public Service Law, [Chapter 42.52 RCW](#) State officers and employees are prohibited from receiving, accepting, taking or seeking gifts (except as permitted by [RCW 42.52.150](#)) if the officer or employee participates in contractual matters relating to the purchase of goods or services

IT IS FURTHER AGREED THAT:

ORDER OF PRECEDENCE

Each of the exhibits listed below is by this reference hereby incorporated into this contract. In the event of an inconsistency in this contract, the inconsistency shall be resolved by giving precedence in the order stated below. The order of precedence is subject to the proviso that when a contract term or condition appears in more than one contract document, the more specific contract term or condition shall control if the different contract provisions cannot be harmonized. Consistent with the procurement process used for this contract, the parties intend that the specific RFQQ terms and conditions will supersede the generic General Terms and Conditions when the two documents address the same subject and cannot be harmonized.

For example, the terms and conditions for any of the “deliverables” identified in the RFQQ and the RFQQ Statement of Work would need to be interpreted in light of how/whether that deliverable has been addressed under the Negotiated Final Statement of Work. The specific provision that most clearly expresses the parties’ agreement to a term or condition will control instead of the general order of precedence for contract documents as listed below.

When this principle of interpretation does not resolve an inconsistency, the matter will be resolved by giving precedence in the following order. The General Terms and Conditions are listed last in order because many of its provisions are addressed with greater specificity in the RFQQ. This principle of interpretation does not alter the order of precedence under which federal and State of Washington statutes and regulations shall control when applicable.

1. Applicable Federal and State Statutes and Regulations
2. The Contract for services and the following incorporated documents
 - a. Exhibit {xx} Negotiated Statement of Work
 - b. Exhibit {xx} Negotiated Project Schedule
 - c. Exhibit {xx} Negotiated Technical Requirements

- d. Exhibit {xx} Negotiated Payment Schedule
- e. Exhibit {xx} Final Cost Proposal
- 3. Exhibit {xx} – Special Terms & Conditions, if any
- 4. Exhibit {xx} – RFQQ N2xxxxx with exhibits and attachments
- 5. Exhibit {xx} – General Terms and Conditions
- 6. Exhibit {xx} – CONTRACTOR’s Response to RFP N22601
- 7. All Contractor or manufacturer publications, written materials and schedules, charts, diagrams, tables, descriptions, other written representations and any other supporting materials Contractor made available to DOH and used to affect the provision of Services to DOH
- 8. Any other provision of the contract whether incorporated by reference or otherwise.

OPPORTUNITY TO CURE

In the event that CONTRACTOR fails to perform a contractual requirement or materially breaches any term or condition, DOH may issue a written cure notice. The CONTRACTOR may have a period of time in which to cure. DOH is not required to allow the CONTRACTOR to cure defects if the opportunity for cure is not feasible as determined solely within the discretion of DOH. Time allowed for cure shall not diminish or eliminate CONTRACTOR's liability for liquidated or other damages, or otherwise affect any other remedies available against CONTRACTOR under the contract or by law.

If the breach remains after CONTRACTOR has been provided the opportunity to cure, DOH may do any one or more of the following:

- a) Exercise any remedy provided by law;
- b) Terminate this contract and any related contracts or portions thereof;
- c) Procure replacements and impose damages as set forth elsewhere in this contract;
- d) Impose actual or liquidated damages;
- e) Request that DES suspend or bar CONTRACTOR from receiving future solicitations or other opportunities;
- f) Require CONTRACTOR to reimburse the state for any loss or additional expense incurred as a result of default or failure to satisfactorily perform the terms of the contract.

UNDERSTANDING: This contract, including all of its schedules, exhibits, attachments & documents included herein by reference, contains all the terms and conditions agreed upon by the parties. No other negotiations, representations, understandings, oral or otherwise, regarding the subject matter of this contract shall exist or bind any of the parties hereto.

APPROVAL: This contract shall be subject to the written approval of DOH Contracting Officer and shall not be binding until so approved. Only the Contracting Officer or their designee, by written delegation made prior to action, shall have the expressed, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this contract. Furthermore, any alteration, amendment, modification, or waiver of any clause or condition of this contract is not effective or binding unless made in writing and signed by the Contracting Officer.

IN WITNESS WHEREOF: Authorized representatives of DOH and the Contractor have executed this Contract effective as of the date of last signature below.

CONTRACTOR SIGNATURE	DATE
DOH CONTRACTING OFFICER SIGNATURE	DATE

THIS CONTRACT HAS BEEN APPROVED AS TO FORM BY THE ATTORNEY GENERAL

NOTE: CONTRACTOR SIGNATURE ALSO REQUIRED ON FEDERAL CERTIFICATIONS AND FEDERAL ASSURANCES!!!!

SAMPLE CONTRACT - Continued

STATEMENT OF WORK

PURPOSE

The final statement of work between DOH and the selected vendor will be inserted in this space.

SAMPLE CONTRACT - Continued

GENERAL TERMS AND CONDITIONS, FEDERAL COMPLIANCE, AND STANDARD FEDERAL CERTIFICATIONS AND ASSURANCES

I. DEFINITIONS

As used throughout this contract, the following terms shall have the meanings set forth below:

1. "Allowable Cost" shall mean an expenditure which meets the test of the Uniform Guidance (2CFR 200) (see "I. Federal Compliance"). The most significant factors affecting allowability of cost are; 1) they must be necessary and reasonable, 2) they must be allocable, 3) they must be authorized or not prohibited under state or local laws and regulations, and 4) they must be adequately documented. For more specifics see Selected Items of Cost 2 CFR 200.420).
2. "Client" shall mean an agency, firm, organization, individual or other entity applying for or receiving services under this contract.
3. "Cognizant State Agency" shall mean the state agency from whom the sub-recipient receives federal financial assistance. If funds are received from more than one state agency, the cognizant state agency shall be the agency who contributes the largest portion of federal financial assistance to the sub-recipient, unless a cognizant state agency has been designated by OFM.
4. "Confidential Information" shall mean information that is exempt from disclosure under chapter 42.56 RCW, and other state or federal statutes and regulations.
5. "Contractor" shall mean that agency, firm, provider, organization, individual or other entity performing services under this contract. It shall include any subcontractor retained by the prime contractor as permitted under the terms of this contract.

A contract is for the purpose of obtaining goods and services for the non-Federal entity's own use and creates a procurement relationship with the Contractor. See §200.22 Contract. Characteristics indicative of a procurement relationship between the non-Federal entity and a Contractor are when the non-Federal entity receiving the Federal funds:

- A. Provides the goods and services within normal business operations;
 - B. Provides similar goods or services to many different purchasers;
 - C. Normally operates in a competitive environment;
 - D. Provides goods or services that are ancillary to the operation of the Federal program; and
 - E. Is not subject to compliance requirements of the Federal program as a result of the agreement, though similar requirements may apply for other reasons.
6. "Contracting Officer" shall mean that individual(s) of the Contracts and Procurement Office of DOH and their delegates within that office authorized to execute this contract on behalf of DOH.
 7. "Department" shall mean the Department of Health (DOH) of the State of Washington, any division, section, office, unit or other entity of the department, or any of the officers or other officials lawfully representing DOH.
 8. "Equipment" shall mean an article of non-expendable, tangible property having a useful life of more than one year and an acquisition cost of \$5,000 or more.

9. "Noncompliance" shall mean if a non-Federal entity fails to comply with Federal statutes, regulations or the terms and conditions of a Federal award, the Federal awarding agency or pass-through entity may impose additional conditions, as described in §200.207 Specific conditions. If the Federal awarding agency or pass-through entity determines that noncompliance cannot be remedied by imposing additional conditions, the Federal awarding agency or pass-through entity may take one or more of the following actions, as appropriate in the circumstances:
 - A. Temporarily withhold cash payments pending correction of the deficiency by the non-Federal entity or more severe enforcement action by the Federal awarding agency or pass-through entity.
 - B. Disallow (that is, deny both use of funds and any applicable matching credit for) all or part of the cost of the activity or action not in compliance.
 - C. Wholly or partly suspend or terminate the Federal award.
 - D. Initiate suspension or debarment proceedings as authorized under 2 CFR part 180 and Federal awarding agency regulations (or in the case of a pass-through entity, recommend such a proceeding be initiated by a Federal awarding agency).
 - E. Withhold further Federal awards for the project or program.
 - F. Take other remedies that may be legally available.
10. "Personal Information" shall mean information identifiable to any person, including, but not limited to, information that relates to a person's name, health, finances, education, business, use or receipt of governmental services or other activities, addresses, telephone numbers, social security numbers, driver license numbers, other identifying numbers, and any financial identifiers. Personal information includes "protected health information" as set forth in 45 CFR § 164.50 as currently drafted and subsequently amended or revised and any other information that may be exempt from disclosure to the public or other unauthorized persons under either chapter 42.56 RCW or other state and federal statutes.
11. "Reimbursement" shall mean that DOH will repay the Contractor for allowable costs incurred under the terms of this contract.
12. "Sensitive Data" shall mean data that is held confidentially, and if compromised, may cause harm to individual citizens or create a liability for the State.
13. "Specific Conditions"
 - A. The Federal awarding agency or pass-through entity may impose additional specific award conditions as needed, in accordance with paragraphs (b) and (c) of this section, under the following circumstances:
 - 1) Based on the criteria set forth in §200.205 Federal awarding agency review of risk posed by applicants;
 - 2) When an applicant or recipient has a history of failure to comply with the general or specific terms and conditions of a Federal award;
 - 3) When an applicant or recipient fails to meet expected performance goals as described in §200.210 Information contained in a Federal award; or
 - 4) When an applicant or recipient is not otherwise responsible.

B. These additional Federal award conditions may include items such as the following:

- 1) Requiring payments as reimbursements rather than advance payments;
- 2) Withholding authority to proceed to the next phase until receipt of evidence of acceptable performance within a given period of performance;
- 3) Requiring additional, more detailed financial reports;
- 4) Requiring additional project monitoring;
- 5) Requiring the non-Federal entity to obtain technical or management assistance; or
- 6) Establishing additional prior approvals.

C. The Federal awarding agency or pass-through entity must notify the applicant or non-Federal entity as to:

- 1) The nature of the additional requirements;
- 2) The reason why the additional requirements are being imposed;
- 3) The nature of the action needed to remove the additional requirement, if applicable;
- 4) The time allowed for completing the actions if applicable, and
- 5) The method for requesting reconsideration of the additional requirements imposed.

D. Any specific conditions must be promptly removed once the conditions that prompted them have been corrected.

14. "Subcontractor" shall mean a person, partnership, or company, not in the employ of or owned by the Contractor, who is performing all or part of those services under a separate contract with or on behalf of the Contractor. The terms "subcontractor" and "subcontractors" mean subcontractor(s) in any tier.
15. "Subrecipient" shall mean a non-Federal entity that received a subaward from a pass-through entity to carry out part of a Federal program; but does not include an individual that is a beneficiary of such program. A subrecipient may also be a recipient of other Federal awards directly from a Federal awarding agency. (2 CFR 200.93)

Characteristics which support the classification of the non-Federal entity as a subrecipient include when the non-Federal entity:

- A. Determines who is eligible to receive what Federal assistance;
 - B. Has its performance measured in relation to whether objectives of a Federal program were met;
 - C. Has responsibility for programmatic decision making;
 - D. Is responsible for adherence to applicable Federal program requirements specified in the Federal award; and
 - E. In accordance with its contract, uses the Federal funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of a pass-through entity.
16. "Successor" shall mean any entity which, through amalgamation, consolidation, or other legal succession becomes invested with rights and assumes burdens of the first contractor/vendor.

SAMPLE CONTRACT - Continued

II. GENERAL CONDITIONS

1. **ACCESS TO DATA** - The CONTRACTOR shall provide access to data generated under this contract to DOH, the Joint Legislative Audit and Review Committee, and the State Auditor at no additional cost. This includes access to all information that supports the findings, conclusions, and recommendations of the CONTRACTOR's reports, including computer models and methodology for those models.
2. **ADVANCE PAYMENTS PROHIBITED** - No payment in advance or in anticipation of services or supplies to be provided under this agreement shall be made by DOH.
3. **AMENDMENTS** – This contract may be amended by mutual agreement of the parties. Such amendments shall not be binding unless they are in writing and signed by personnel authorized to bind each of the parties.
4. **AMERICANS WITH DISABILITIES ACT (ADA) OF 1990, PUBLIC LAW 101-336, also referred to as the "ADA" 28 CFR Part 35** - The CONTRACTOR must comply with the ADA, which provides comprehensive civil rights protection to individuals with disabilities in the areas of employment, public accommodations, state and local government services, and telecommunications.
5. **ASSIGNMENT** – Neither this contract nor any claim arising under this contract shall be transferred or assigned by the CONTRACTOR without prior written consent of DOH, which shall not be unreasonably withheld.
6. **ATTORNEYS' FEES** – In the event of litigation or other action brought to enforce contract terms, each party agrees to bear its own attorney's fees and costs.
7. **CHANGE IN STATUS** - In the event of substantive change in the legal status, organizational structure, or fiscal reporting responsibility of the CONTRACTOR, CONTRACTOR agrees to notify DOH of the change. CONTRACTOR shall provide notice as soon as practicable, but no later than thirty (30) days after such a change takes effect.
8. **CONFIDENTIALITY/SAFEGUARDING OF INFORMATION** - The use or disclosure by any party, either verbally or in writing, of any Confidential Information shall be subject to Chapter 42.56 RCW and Chapter 70.02 RCW, as well as other applicable federal and state laws and administrative rules governing confidentiality. Specifically, the CONTRACTOR agrees to limit access to Confidential Information to the minimum amount of information necessary, to the fewest number of people, for the least amount of time required to do the work. The obligations set forth in this clause shall survive completion, cancellation, expiration, or termination of this Agreement.

A. Notification of Confidentiality Breach

Upon a breach or suspected breach of confidentiality, the CONTRACTOR shall immediately notify the DOH Privacy Officer. For the purposes of this Agreement, "immediately" shall mean within one business day.

The CONTRACTOR will take steps necessary to mitigate any known harmful effects of such unauthorized access including, but not limited to sanctioning employees, notifying subjects, and taking steps necessary to stop further unauthorized access. The CONTRACTOR agrees to indemnify and hold harmless Agency for any damages related to unauthorized use or disclosure by the CONTRACTOR, its officers, directors, employees, Subcontractors or agents.

A breach of this clause, after sufficient investigation and determination that said breach was the fault of the CONTRACTOR, may result in termination of the contract and the demand for return of all confidential information.

B. Subsequent Disclosure

The CONTRACTOR will not release, divulge, publish, transfer, sell, disclose, or otherwise make the Confidential Information known to any other entity or person without the express prior written consent of the Secretary of Health, or as required by law.

9. **CONFLICT OF INTEREST** - Notwithstanding any determination by the Executive Ethics Board or other tribunal, DOH may, in its sole discretion, by written notice to the CONTRACTOR, terminate this contract if it is found, after due notice and examination by DOH or its agent that there is a violation of the ethics in public service act, chapter 42.52 RCW, or any similar statute involving the CONTRACTOR in the procurement of, or performance of this contract. However, prior to such termination the DOH shall provide evidence of the alleged violation to the CONTRACTOR and CONTRACTOR shall be provided reasonable time to respond to the allegation lodged against the CONTRACTOR.

In the event this contract is terminated as provided above, DOH shall be entitled to pursue the same remedies against the CONTRACTOR as it could pursue in the event of a breach of the contract by the CONTRACTOR. The rights and remedies of DOH provided for in this section shall not be exclusive are in addition to any other rights and remedies provided by law. The existence of facts upon which DOH makes a determination under this section shall be an issue and may be reviewed as provided in the "disputes" section of this contract. However, prior to such termination the DOH shall provide evidence of the alleged violation to the CONTRACTOR and CONTRACTOR shall be provided reasonable time to respond to the allegation lodged against the CONTRACTOR.

10. **COPYRIGHT PROVISIONS:** Unless otherwise provided, all materials produced under this contract shall be considered "works for hire" as defined by the U.S. Copyright Act and shall be owned by DOH. DOH shall be considered the author of such Materials. In the event the Materials are not considered "works for hire" under the U.S. Copyright laws, CONTRACTOR hereby irrevocably assigns all right, title, and interest in Materials, including all intellectual property rights, to DOH effective from the moment of creation of such Materials.

Materials means all items in any format and includes, but is not limited to, data, reports, documents, pamphlets, advertisements, books, magazines, surveys, studies, computer programs, films, tapes, and/or sound reproductions. Ownership includes the right to copyright, patent, register and the ability to transfer these rights.

For Materials that are delivered under the contract, but that incorporate pre-existing materials not produced under the contract, CONTRACTOR hereby grants to DOH a nonexclusive, royalty-free, irrevocable license (with rights to sublicense to others) in such Materials to translate, reproduce, distribute, prepare derivative works, publicly perform, and publicly display. The CONTRACTOR warrants and represents that CONTRACTOR has all rights and permissions, including intellectual property rights, moral rights and rights of publicity, necessary to grant such a license to DOH.

The CONTRACTOR shall exert all reasonable effort to advise DOH, at the time of delivery of Materials furnished under this contract, of all known or potential invasions of privacy contained therein and of any portion of such document which was not produced in the performance of this contract.

DOH shall receive prompt written notice of each notice or claim of copyright infringement received by the CONTRACTOR with respect to any data delivered under this contract. DOH shall have the right to modify or remove any restrictive markings placed upon the data by the CONTRACTOR.

11. **COVENANT AGAINST CONTINGENT FEES** – The CONTRACTOR warrants that no person or selling agent has been employed or retained to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, excepting bona fide employees or bona fide established agents maintained by the CONTRACTOR for the purpose of securing business.

If applicable, DOH shall have the right, in the event of breach of this clause by the CONTRACTOR, to annul this contract without liability, or in its discretion, to deduct from the contract price or consideration or recover by other means the full amount of such commission, percentage, brokerage or contingent fee.

12. **DISALLOWED COSTS** - The CONTRACTOR is responsible for any audit exceptions or disallowed costs incurred by its own organization or that of its subcontractors.
13. **DEBARMENT** - The CONTRACTOR, by signature to this contract, certifies that the CONTRACTOR and its principals are/is not presently debarred, suspended, proposed for debarment, are in the process of being debarred, declared ineligible, or voluntarily excluded in any Federal or Washington State department or agency from contracting or participating in transactions. The CONTRACTOR also agrees to include the above requirement in any and all subcontracts into which it enters.
14. **DISPUTES** – Except as otherwise provided in this contract, when a dispute arises between the parties and it cannot be resolved by direct negotiation, the parties agree to participate in good faith in non-binding mediation. The mediator shall be chosen by agreement of the parties. If the parties cannot agree on a mediator, the parties shall use a mediation service located in Washington State that selects a qualified mediator for the parties. Each party shall bear its own costs for mediation and each party shall contribute equally to the mediator’s fee. The parties agree that mediation shall precede any action in a judicial tribunal.

Nothing in this contract shall be construed to limit the parties’ choice of a mutually acceptable alternate dispute resolution method in addition to the dispute resolution procedure outlined above.

15. **DUPLICATE PAYMENT:** DOH shall not pay the CONTRACTOR if the CONTRACTOR has charged or will charge the State of Washington or any other party under any other contract or agreement for the same services or expenses as defined in the Statement of Work.
16. **GOVERNING LAW** - This contract shall be construed and interpreted in accordance with the laws of the State of Washington, and the venue of any action brought hereunder shall be in the Superior Court for Thurston County.
17. **INDEMNIFICATION** - To the fullest extent permitted by Washington State law, CONTRACTOR shall indemnify, defend, and hold harmless State, agencies of State and all officials, agents and employees of State, from and against all claims for injuries or death arising out of or resulting from the performance of the contract. “Claim,” as used in this contract, means any financial loss, claim, suit, action, damage, or expense, including but not limited to attorney’s fees, attributable for bodily injury, sickness, disease, or death, or injury to or destruction of tangible property including loss of use resulting therefrom.

CONTRACTOR’s obligations to indemnify, defend, and hold harmless includes any claim by CONTRACTOR’s agents, employees, representatives, or any subcontractor or its employees.

CONTRACTOR expressly agrees to indemnify, defend, and hold harmless the State for any claim arising out of or incident to CONTRACTOR’s or any subcontractor’s performance or failure to perform the contract. CONTRACTOR’s obligation to indemnify, defend, and hold harmless the State shall not be eliminated or reduced by any actual or alleged concurrent negligence of State or its agents, agencies, employees and officials.

CONTRACTOR waives its immunity under Title 51 RCW to the extent it is required to indemnify, defend and hold harmless State and its agencies, officials, agents or employees.

18. **INDEPENDENT CAPACITY OF THE CONTRACTOR** – The parties intend that an independent CONTRACTOR relationship will be created by this contract. The CONTRACTOR and his or her employees or agents performing under the contract are not employees or agents of DOH. Nothing contained herein or any document executed in connection herewith, shall be construed to create an employer-employee partnership or joint venture relationship between the DOH and Contractor or subcontractor and the employees, agents, representatives of either. Contractor acknowledges that it is an independent contractor and not an employee of the DOH, the State or any of its agencies. It is understood that the DOH will not withhold any amounts for payment of federal, state, or local taxes, social security, retirement benefits, pensions or the like from the compensation of Contractor hereunder.

Contractor will not represent to be or hold itself out as an employee of the DOH and Contractor acknowledges that they shall not have the right or entitlement in or to any of the pension, retirement or other benefit programs now or hereafter available to the DOH's or State's regular employees.

Any and all sums subject to deductions, if any, required to be withheld and/or paid under any applicable state, federal or municipal laws or union or professional guild regulations shall be Contractor's sole responsibility and Contractor shall indemnify and hold DOH harmless from any and all damages, claims and expenses arising out of or resulting from any claims asserted by any taxing authority as a result of or in connection with said payments.

19. **INDUSTRIAL INSURANCE COVERAGE** – The CONTRACTOR shall comply with the provisions of Title 51 RCW, Industrial Insurance. If the CONTRACTOR fails to provide industrial insurance coverage or fails to pay premiums or penalties on behalf of its employees, as may be required by law, DOH may collect from the CONTRACTOR the full amount payable to the Industrial Insurance accident fund. The DOH may deduct the amount owed by the CONTRACTOR to the accident fund from the amount payable to the CONTRACTOR by the DOH under this contract, and transmit the deducted amount to the Department of Labor and Industries, (L&I) Division of Insurance Services. This provision does not waive any rights of the Washington State Department of Labor and Industries to collect from the CONTRACTOR.

20. **INSURANCE** - The CONTRACTOR shall provide insurance coverage as set out in this section. The intent of the required insurance is to protect the State should there be any claims, suits, actions, costs, damages or expenses arising from any negligent or intentional act or omission of the CONTRACTOR or subcontractor, or agents of either, while performing under the terms of this contract.

The CONTRACTOR shall provide insurance coverage which shall be maintained in full force and effect during the term of this Contract, as follows:

- (a) **Commercial General Liability Insurance:** The CONTRACTOR shall maintain general liability (CGL) insurance and, if necessary, commercial umbrella insurance, with a limit of not less than \$1,000,000 per each occurrence. If CGL insurance contains aggregate limits, the General Aggregate limit shall be at least twice the "each occurrence" limit. CGL insurance shall have products-completed operations aggregate limit of at least two times the "each occurrence" limit. CGL insurance shall be written on ISO occurrence from CG 00 01 (or a substitute form providing equivalent coverage). All insurance shall cover liability assumed under an insured contract (including the tort liability of another assumed in a business contract), and contain separation of insured's (cross liability) condition.
- (b) **Professional Liability:** Errors and Omissions coverage with a limit of not less than \$1,000,000 per occurrence and \$2,000,000 aggregate.

Additionally, the CONTRACTOR is responsible for ensuring that any subcontractors provide adequate insurance coverage for the activities arising out of subcontracts.

(c) **Business Auto Policy:** As applicable, the CONTRACTOR shall maintain business auto liability and, if necessary, commercial umbrella liability insurance with a limit not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of "Any Auto." Business auto coverage shall be written on ISO form CA 00 01, 1990 or later edition, or substitute liability form providing equivalent coverage.

(d) **Employers Liability ("Stop Gap") Insurance:**

In addition, the CONTRACTOR shall buy employers liability insurance and, if necessary, commercial umbrella liability insurance with limits not less than \$1,000,000 each accident for bodily injury by accident or \$1,000,000 each employee for bodily injury by disease.

(e) **Cyber Liability Insurance:**

CONTRACTOR shall have and maintain insurance limits in the minimum amount of \$1,000,000 per claim and \$2,000,000 annual aggregate to be maintained for the duration of the agreement and three years following its termination to respond to privacy and network security liability claims arising for any reason.

Additional Provisions:

Above insurance policy shall include the following provisions:

(a) **Additional Insured.** The State of Washington, Department of Health, its elected and appointed officials, agents and employees shall be named as an additional insured on all general liability, excess, umbrella and property insurance policies. All insurance provided in compliance with this contract shall be primary as to any other insurance or self-insurance programs afforded to or maintained by the State.

(b) **Cancellation.** State of Washington, Department of Health, shall be provided written notice before cancellation or non-renewal of any insurance referred to therein, in accord with the following specifications. Insurers subject to 48.18 RCW (Admitted and Regulation by the Insurance Commissioner): The insurer shall give the State 45 days advance notice of cancellation or non-renewal. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation. Insurers subject to 48.15 RCW (Surplus lines): The State shall be given 20 days advance notice of cancellation. If cancellation is due to non-payment of premium, the State shall be given 10 days advance notice of cancellation.

(c) **Identification.** Policy must reference the State's contract number and the agency name.

(d) **Insurance Carrier Rating.** All insurance and bonds should be issued by companies admitted to do business within the State of Washington and have a rating of A-, Class VII or better in the most recently published edition of Best's Reports. Any exception shall be reviewed and approved by DOH Risk Manager, or the Risk Manager for the State of Washington, before the contract is accepted or work may begin. If an insurer is not admitted, all insurance policies and procedures for issuing the insurance policies must comply with chapter 48.15 RCW and 284-15 WAC.

(e) **Excess Coverage.** By requiring insurance herein, the State does not represent that coverage and limits will be adequate to protect CONTRACTOR and such coverage and limits shall not limit CONTRACTOR's liability under the indemnities and reimbursements granted to the State in this contract.

Upon request, CONTRACTOR shall submit to Agency, a certificate of insurance which outlines the coverage and limits defined in the *Insurance* section. If a certificate of insurance is requested, CONTRACTOR shall submit renewal certificates as appropriate during the term of the contract.

21. **LICENSING, ACCREDITATION AND REGISTRATION** - The CONTRACTOR shall comply with all applicable local, state, and federal licensing, accreditation and registration requirements/standards, necessary for the performance of this contract.
22. **LIMITATION OF AUTHORITY** - Only the Secretary of DOH or their delegate by writing (delegation to be made prior to action) shall have the express, implied, or apparent authority to alter, amend, modify, or waive any clause or condition of this contract on behalf of DOH. No alteration, modification, or waiver of any clause or condition of this contract is effective or binding unless made in writing and signed by the DOH.
23. **NONDISCRIMINATION** - During the performance of this contract, the CONTRACTOR shall comply with all federal and state nondiscrimination laws, regulations and policies.
24. **NONDISCRIMINATION LAWS NONCOMPLIANCE** - In the event of the CONTRACTOR's noncompliance or refusal to comply with any nondiscrimination law, regulation, or policy, this contract may be rescinded, canceled or terminated in whole or in part, and the CONTRACTOR may be declared ineligible for further contracts with DOH. The CONTRACTOR shall, however, be given a reasonable time in which to cure this noncompliance. Any dispute may be resolved in accordance with the "Disputes" procedure set forth herein.
25. **NO THIRD PARTY BENEFICIARIES** - DOH and CONTRACTOR are the only parties to this Contract and are the only parties entitled to enforce its terms. Nothing in this Contract gives or provides any benefit or right, whether directly, indirectly, or otherwise, to third persons unless such third persons are individually identified by name in this Contract and expressly described as intended beneficiaries of this Contract.
26. **OVERPAYMENTS AND ASSERTION OF LIEN** - In the event that DOH establishes overpayments or erroneous payments made to the CONTRACTOR under this contract, DOH may secure repayment, plus interest, if any, through the filing of a lien against the CONTRACTOR's real property, or by requiring the posting of a bond, assignment or deposit, or some other form of security acceptable to DOH, or by doing both.
27. **PRIVACY** – Personal information including, but not limited to, “Protected Health Information,” collected, used, or acquired in connection with this contract shall be protected against unauthorized use, disclosure, modification or loss. CONTRACTOR shall ensure its directors, officers, employees, subcontractors or agents use personal information solely for the purposes of accomplishing the services set forth herein. CONTRACTOR and its subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of the agency or as otherwise required by law.

Any breach of this provision may result in termination of the contract and the demand for return of all confidential information. The CONTRACTOR agrees to indemnify and hold harmless DOH for damages proximately caused by the CONTRACTOR's unauthorized use of confidential information under this contract.
28. **PUBLICITY** - The CONTRACTOR agrees to submit to DOH all advertising and publicity matters relating to this Contract wherein DOH's name is mentioned or language used from which the connection of DOH's name may, in DOH's judgment, be inferred or implied. The CONTRACTOR agrees not to publish or use such advertising and publicity matters without the prior written consent of DOH which shall not be unreasonably withheld.

29. **RECORDS MAINTENANCE** - The CONTRACTOR shall maintain books, records, documents, data and other evidence relating to this contract and performance of the services described herein, including but not limited to accounting procedures and practices which sufficiently and properly reflect all direct and indirect costs of any nature expended in the performance of this contract.

CONTRACTOR shall retain such records for a period of six (6) years following the date of final payment. At no additional cost, these records, including materials generated under the contract, shall be subject at all reasonable times to inspection, review or audit by DOH, personnel duly authorized by DOH, the office of the State Auditor, and federal and state officials so authorized by law, regulation or agreement. However, should the State or other personnel previously listed in this paragraph deem it appropriate to visit CONTRACTOR's offices for the purpose of review or audit of CONTRACTOR's records, any costs associated with such visit(s) shall not be the responsibility of the CONTRACTOR.

If any litigation, claim or audit is started before the expiration of the six (6) year period, the records shall be retained until all litigation, claims, or audit findings involving the records have been resolved.

30. **REGISTRATION WITH DEPARTMENT OF REVENUE** - The CONTRACTOR shall complete registration with the Washington State Department of Revenue and be responsible for payment of all applicable taxes due on payments made under this contract.

31. **RIGHT OF INSPECTION** - The CONTRACTOR shall provide right of access to its facilities to DOH, or any of its officers, or to any other authorized agent or official of the state of Washington or the federal government, at all reasonable times, in order to monitor and evaluate performance, compliance, and/or quality assurance under this contract. The CONTRACTOR shall make available information necessary for DOH to comply with the client's right to access, amend, and receive an accounting of disclosures of their confidential information according state and federal law. The CONTRACTOR's internal policies and procedures, books, and records relating to the safeguarding, use, and disclosure of confidential information obtained or used as a result of this contract shall be made available to DOH and the U.S. Secretary of the Department of Health & Human Services, upon request.

32. **SAVINGS** - In the event funding from state, federal, or other sources is withdrawn, reduced, or limited in any way after the effective date of this contract and prior to normal completion, DOH may elect to suspend or terminate the contract under the "Termination for Convenience" clause with a ten (10) business day notice to CONTRACTOR, to the extent possible, subject to renegotiation at DOH's discretion under those new funding limitations and conditions.

33. **SECURITY OF INFORMATION** - Unless otherwise specifically authorized by the DOH IT Security Officer, CONTRACTOR receiving Confidential Information under this Agreement assures that: CONTRACTOR assures that its physical, electronic and administrative controls meet or exceed the standards and guidelines defined by the Federal Information Security Management Act (FISMA), for systems categorized as High Impact. CONTRACTOR shall conduct internal audits of their security practices yearly, and complete independent security audits by an accredited auditing firm at least once every three years, for compliance with the FISMA standards and guidelines applicable to the services provided under this contract. CONTRACTOR shall conduct independent vulnerability assessments quarterly and penetration tests at least annually. CONTRACTOR shall upon request provide DOH with the results of these audits, assessments, and tests, and plans for addressing any findings.

A breach of this clause may result in termination of the contract and the demand for return of all confidential information. However, prior to any contract termination action by the contracting officer any alleged breach of this article shall be brought to the attention of the CONTRACTOR who shall be afforded the opportunity to respond to the alleged breached and provide any appropriate mitigation to cure such alleged breach.

34. **SEVERABILITY** – The provisions of this contract are intended to be severable. If any term or provision is illegal or invalid for any reason whatsoever, such illegality or invalidity shall not affect the validity of the remainder of the contract.
35. **SITE SECURITY** - While on DOH premises, CONTRACTOR, its agents, employees, or subcontractors shall conform in all respects with physical, fire or other security policies or regulations. Failure to comply with these regulations may be grounds for revoking or suspending security access to these facilities. DOH reserves the right and authority to immediately revoke security access to CONTRACTOR staff for any real or threatened breach of this provision. Upon reassignment or termination of any CONTRACTOR staff, CONTRACTOR agrees to promptly notify DOH.
36. **SUBCONTRACTING** – Neither the CONTRACTOR, nor any subcontractors, shall enter into subcontracts for any of the work contemplated under this agreement without prior written approval of DOH which shall not be unreasonably withheld. In no event shall the existence of the subcontract operate to release or reduce the liability of the CONTRACTOR to DOH for any breach in the performance of the CONTRACTOR's duties. This clause does not apply to Hospitals and/or Medical Clinics that must contract with specialty physicians (e.g. anesthesiologists, radiologists, physicians groups, independent practitioners, etc.) nor does it include contracts of employment between the CONTRACTOR and personnel assigned to work under this contract.

Additionally, the CONTRACTOR is responsible for ensuring that all terms, conditions, assurances and certifications set forth in this agreement are carried forward to any subcontracts. CONTRACTOR and its subcontractors agree not to release, divulge, publish, transfer, sell or otherwise make known to unauthorized persons personal information without the express written consent of DOH or as provided by law.

If, at any time during the progress of the work, DOH determines in its sole judgment that any subcontractor is incompetent or undesirable, DOH shall notify the CONTRACTOR, and the CONTRACTOR shall take immediate steps to terminate the subcontractor's involvement in the work. CONTRACTOR shall be afforded the opportunity to, if applicable, offer a replacement subcontractor to the contracting officer for consideration.

The rejection or approval by DOH of any subcontractor or the termination of a subcontractor shall not relieve the CONTRACTOR of any of its responsibilities under the Contract, nor be the basis for additional charges to DOH.

DOH has no contractual obligations to any subcontractor or CONTRACTOR under contract to the CONTRACTOR. The CONTRACTOR is fully responsible for all contractual obligations, financial or otherwise, to their subcontractors.

37. **SURVIVABILITY** – The terms and conditions and warranties contained in this agreement which by their sense and context are intended to survive the completion of performance, suspension, cancellation, termination, or expiration of the Agreement shall survive. Specifically, protection of DOH confidential information, overpayments, non-endorsement and publicity, retention of records, patent and copyright indemnification, CONTRACTOR's commitments, warranties and representations, shall survive the termination of this contract.
38. **TAXES** – All payments accrued on account of payroll taxes, unemployment contributions, any other taxes, insurance or other expenses for the CONTRACTOR or its staff shall be the sole responsibility of the CONTRACTOR.
39. **TERMINATION FOR CONVENIENCE** - Except as otherwise provided in this contract, the DOH may, by ten (10) business day's written notice, suspend or terminate this contract in whole or in part as of the

effective date. If this contract is so terminated, DOH shall be liable only for payment under the terms of this contract for services rendered or goods delivered up to the effective date of termination.

If DOH elects to suspend the Contract, in whole or in part, CONTRACTOR shall stop work as of the effective date of DOH's written notice of suspension. During suspension, each Party will reasonably notify the other of any conditions that may affect resumption of performance. Upon DOH's written notice to resume performance, CONTRACTOR shall resume work unless the CONTRACTOR provides notice to DOH that services cannot be resumed. If CONTRACTOR cannot resume performance, the Contract will be deemed terminated upon the date the CONTRACTOR received notice to suspend performance.

40. **TERMINATION FOR CAUSE** – If DOH determines that the CONTRACTOR has failed to comply with the conditions of this contract where the identified failure would constitute any material breach, DOH has the right to terminate this contract in whole or in part.

Before terminating the contract, DOH will give written notice to the CONTRACTOR of its need to take corrective action to resolve the identified material breach. The notice will state a reasonable cure period for CONTRACTOR to develop a corrective action plan, which period shall not exceed thirty (30) calendar days. If the CONTRACTOR fails to cure the condition identified in the notice within sixty (60) business days from the date of the original notice, DOH may suspend or terminate the contract. In its sole discretion, DOH may extend the time for CONTRACTOR to cure the identified breach.

Upon termination for cause, the CONTRACTOR will be liable for documented costs or expenses incurred by DOH to procure any contract needed to complete the project. These costs may include staff, consultant time, and expenses related to any additional contract procurement efforts to comply with Washington state laws, including, under chapter 39.26 RCW, "Procurement of Goods and Services." Additionally the CONTRACTOR will be liable for payments made by DOH to any subsequent CONTRACTOR for work required to complete the project up to the point in time that DOH terminated the contract. The CONTRACTOR will not be liable for payments made by DOH to any subsequent CONTRACTOR for project work scheduled and completed after the last work completed by CONTRACTOR before termination.

To illustrate, the CONTRACTOR would be liable for payments by DOH to a subsequent CONTRACTOR for work necessary to integrate work performed by CONTRACTOR to complete the project, or for payments to a subsequent CONTRACTOR when work completed or partially completed by CONTRACTOR could not be used or integrated by a subsequent CONTRACTOR and DOH paid the subsequent CONTRACTOR to complete any such phase of the work. The CONTRACTOR would not be liable for payments by DOH to a subsequent CONTRACTOR for work to complete the project for work the CONTRACTOR had not undertaken at the time of termination.

DOH reserves the right to suspend all or part of the contract, or to prohibit the CONTRACTOR from incurring additional obligations of funds during investigation of the alleged compliance breach and pending corrective action by the CONTRACTOR or a decision by DOH to terminate the contract for cause. A termination shall be deemed to be a "termination for convenience" if DOH determines (1) that there was no material breach by the CONTRACTOR, or, (2) that the CONTRACTOR's failure to perform was outside of its control, or not the result of its fault or negligence.

41. **TERMINATION PROCEDURE** - Upon termination of this agreement DOH may require the CONTRACTOR to deliver to DOH any property specifically produced or acquired for the performance of such part of this agreement as has been terminated. The provisions of the "Treatment of Assets" clause shall apply in such property transfer.

DOH shall pay to the CONTRACTOR the agreed upon price, if separately stated, for completed work and services accepted by DOH. In addition DOH shall pay the amount agreed upon by the CONTRACTOR and the DOH Contract Manager for (a) completed work and services for which no

separate price is stated, (b) partially completed work and services, (c) other property or services which are accepted by DOH, and (d) the protection and preservation of the property. If the termination is for default, the DOH Contract Manager shall determine the extent of the liability of DOH. Failure to agree with such determination shall be a dispute within the meaning of the "Disputes" clause of this contract.

DOH may withhold from any amounts due the CONTRACTOR for such completed work or services such sum as the DOH Contract Manager determines to be necessary to protect DOH against potential loss or liability.

The rights and remedies of DOH provided in this section shall not be exclusive and are in addition to any other rights and remedies provided by law or under this agreement.

After receipt of a notice of termination, and except as otherwise directed by the DOH Contract Manager, the CONTRACTOR shall:

- Stop work under the agreement on the date and to the extent specified in the notice;
- Place no further orders or subcontracts for materials, services, facilities except as necessary to complete such portion of the work not terminated;
- Assign to DOH, to the extent directed by the DOH Contract Manager, all of the rights, titles, and interest of the CONTRACTOR under the orders and subcontracts in which case DOH has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts.
- Settle all outstanding liabilities and all claims arising out of orders or subcontracts, with the approval or ratification of the DOH Contract Manager to the extent they may require, which approval or ratification shall be final for all the purposes of this clause;
- Transfer title to DOH and deliver, as directed by the DOH Contract Manager, any property which, if the agreement had been completed, would have been required to be furnished to DOH;
- Complete performance of such part of the work not terminated by the DOH Contract Manager; and,
- Take such action as may be necessary, or as the DOH Contract Manager may direct, for the protection and preservation of the property related to this agreement which is in the possession of the CONTRACTOR and in which DOH has or may acquire an interest.

42. TREATMENT OF ASSETS

- A. Title to all property furnished by the DOH shall remain in the DOH. Title to all property furnished by the CONTRACTOR, for the cost of which the CONTRACTOR is entitled to be reimbursed as a direct item of cost under this contract, shall pass to and vest in the DOH upon delivery of such property by the CONTRACTOR. Title to other property, the cost of which is reimbursable to the CONTRACTOR under this contract, shall pass to and vest in the DOH upon (i) issuance for use of such property in the performance of this contract, or (ii) commencement of use of such property in the performance of this contract, or (iii) reimbursement of the cost thereof by the DOH in whole or in part, whichever first occurs
- B. Any property of the DOH furnished to the CONTRACTOR shall, unless otherwise provided herein or approved by the DOH, be used only for the performance of this contract
- C. The CONTRACTOR shall be responsible for any loss or damage to property of the DOH that results from the negligence of the CONTRACTOR or which results from the failure on the part of the CONTRACTOR to maintain and administer that property in accordance with sound management practices.
- D. If any DOH property is lost, destroyed or damaged, the CONTRACTOR shall immediately notify the DOH and shall take all reasonable steps to protect the property from further damage

- E. The CONTRACTOR shall surrender to the DOH all property of the DOH prior to settlement upon completion, termination or cancellation of this contract
- F. All reference to the CONTRACTOR under this clause shall also include CONTRACTOR'S employees, agents or SUBCONTRACTORS.

43. U.S. Department of Treasury, Office of Foreign Assets Control

DOH complies with U.S. Department of the Treasury, Office of Foreign Assets Control (OFAC) payment rules. OFAC prohibits financial transactions with individuals or organizations, which have been placed on the OFAC Specially Designated Nationals (SDN) and Blocked Persons sanctions list located at <http://www.treas.gov/offices/enforcement/ofac/index.html>. Compliance with OFAC payment rules ensures that the agency does not conduct business with individuals or organizations that have been determined to be supporters of terrorism and international drug dealing or that pose other dangers to the United States.

Prior to making payment to individuals or organizations, DOH will download the current OFAC SDN file and compare it to agency and statewide CONTRACTOR files. In the event of a positive match, the agency reserves the right to: (1) make a determination of "reasonability" before taking the positive match to a higher authority, (2) seek assistance from the Washington State Office of the State Treasurer (OST) for advanced assistance in resolving the positive match, (3) comply with an OFAC investigation, if required, and/or (4) if the positive match is substantiated, notify the CONTRACTOR in writing and terminate the contract according to the Termination for Convenience provision without making payment. DOH will not be liable for any late payment fees or missed discounts that are the result of time required to address the issue of an OFAC match.

- 44. WAIVER OF DEFAULT** - Waiver of any default or breach shall not be deemed to be a waiver of any subsequent default or breach. Any waiver shall not be construed to be a modification of the terms of this Contract unless stated to be such in writing and signed by authorized representative of DOH.

SAMPLE CONTRACT-Continued

FEDERAL COMPLIANCE AND STANDARD FEDERAL CERTIFICATIONS/ASSURANCES

In the event federal funds are included in this agreement, added by future amendment(s), or redistributed between fund sources resulting in the provision of federal funds, the following sections apply: “III. Federal Compliance” and “IV. Standard Federal Assurances and Certifications”. In the instance of inclusion of federal funds as a result of an amendment, the Contractor may be designated as a “Subrecipient” and the effective date of the amendment shall also be the date at which these requirements go into effect.

I. FEDERAL COMPLIANCE - The use of federal funds requires additional compliance and control mechanisms to be in place. The following represents the majority of compliance elements that may apply to any federal funds provided under this contract. (Refer to Catalog of Domestic Assistance number(s) cited in the “Payment” section of this contract for requirements specific to that fund source.) For clarification regarding any of these elements or details specific to the federal funds in this contract, contact:

Compliance and Internal Control Officer
Office of Financial Services
Department of Health
Post Office Box 47901
Olympia, Washington 98504-7901

1. UNIFORM ADMINISTRATIVE GUIDANCE – The Uniform Administrative Guidance (Supercircular) became effective December 26, 2014 and combines numerous OMB Circulars into one document. This document established requirements which govern expenditure of federal funds. These requirements apply to the Department of Health, as the primary recipient of federal funds, and then follow the funds to the subrecipient. The Uniform Administrative Guidance provides the applicable administrative requirements, cost principles, and audit requirements are identified by subrecipient organization type.

Compliance Matrix

ENTITY TYPE	OMB CIRCULAR		
	ADMINISTRATIVE REQUIREMENTS	COST PRINCIPLES	AUDIT REQUIREMENTS
State, Local and Indian Tribal Governments & Governmental Hospitals	2 CFR 200 Subpart D	2 CFR 200 Subpart E	2 CFR 200 Subpart F
Non-Profit Organizations	2 CFR 200 Subpart D	2 CFR 200 Subpart E	2 CFR 200 Subpart F
Hospitals	2 CFR 200 Subpart D	45 CFR 74 Appendix E	2 CFR 200 Subpart F
Colleges or Universities & Affiliated Hospitals	2 CFR 200 Subpart D	2 CFR 200 Subpart E	2 CFR 200 Subpart F

2. CITIZENSHIP/ALIEN VERIFICATION/DETERMINATION - The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 (PL 104-193) states that federal public benefits should be made available only to U.S. citizens and qualified aliens. Entities that offer a service defined as a “federal public benefit” must make a citizenship/qualified alien determination/

verification of applicants at the time of application as part of the eligibility criteria. Non-US citizens and unqualified aliens are not eligible to receive the services. PL 104-193 also includes specific reporting requirements. Exemptions from the determination/verification requirement is afforded the following programs offered by the Department of Health: Family Planning, Breast & Cervical Health Program (BCHP), Special Supplemental Nutrition Program for Women, Infants, and Children (WIC), WIC Farmers Market Program, Immunization Programs, and Ryan White CARE Act programs and other communicable disease treatment and diagnostic programs.

3. **CIVIL RIGHTS AND NONDISCRIMINATION** - During the performance of this agreement, the Contractor shall comply with all current and future federal statutes relating to nondiscrimination. These include but are not limited to: Title VI of the Civil Rights Act of 1964 (PL 88-352), Title IX of the Education Amendments of 1972 (20 U.S.C. §§ 1681-1683 and 1685-1686), section 504 of the Rehabilitation Act of 1973 (29 U.S.C. § 794), the Age Discrimination Act of 1975 (42 U.S.C. §§ 6101-6107), the Drug Abuse Office and Treatment Act of 1972 (PL 92-255), the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (PL 91-616), §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290dd-3 and 290ee-3), Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), and the Americans with Disability Act (42 U.S.C., Section 12101 et seq.)
4. **SINGLE AUDIT ACT** - A subrecipient (including private, for-profit hospitals and non-profit institutions) shall adhere to the federal Uniform Administrative Guidance (Subpart F) as well as all applicable federal and state statutes and regulations. A subrecipient who expends \$750,000 or more in federal awards during a given fiscal year shall have a single or program-specific audit for that year in accordance with the provisions of 2 CFR 200 Subpart F.
5. **STANDARD FEDERAL CERTIFICATIONS AND ASSURANCES** - Following are the Assurances, Certifications, and Special Conditions that apply to all federally funded (in whole or in part) agreements administered by the Washington State Department of Health.

SAMPLE CONTRACT - Continued

CERTIFICATIONS

1. CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

The undersigned (authorized official signing for the contracting organization) certifies to the best of their knowledge and belief, that the Contractor, defined as the primary participant in accordance with 45 CFR Part 76, and its principals:

- a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;
- b) have not within a 3-year period preceding this contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State, or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- c) are not presently indicted or otherwise criminally or civilly charged by a governmental entity (Federal, State, or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
- d) have not within a 3-year period preceding this contract had one or more public transactions (Federal, State, or local) terminated for cause or default.

Should the Contractor not be able to provide this certification, an explanation as to why should be placed after the assurances page in the contract.

The Contractor agrees by signing this contract that it will include, without modification, the clause titled "Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion--Lower Tier Covered Transactions" in all lower tier covered transactions (i.e., transactions with sub-grantees and/or Contractors) and in all solicitations for lower tier covered transactions in accordance with 45 CFR Part 76.

2. CERTIFICATION REGARDING DRUG-FREE WORKPLACE REQUIREMENTS

The undersigned (authorized official signing for the contracting organization) certifies that the Contractor will,

or will continue to, provide a drug-free workplace in accordance with 45 CFR Part 76 by:

- a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- b) Establishing an ongoing drug-free awareness program to inform employees about
 - (1) The dangers of drug abuse in the workplace;
 - (2) The Contractor's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c) Making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by paragraph (a) above;
- d) Notifying the employee in the statement required by paragraph (a), above, that, as a condition of employment under the contract, the employee will—
 - (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of their conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- e) Notifying the agency in writing within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every contract officer or other designee on whose contract activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d) (2), with respect to any employee who is so convicted—
 - (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate

satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;

- g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e), and (f).

For purposes of paragraph (e) regarding agency notification of criminal drug convictions, DOH has designated the following central point for receipt of such notices:

Compliance and Internal Control Officer
Office of Grants Management
WA State Department of Health
PO Box 47905
Olympia, WA 98504-7905

3. CERTIFICATION REGARDING LOBBYING

Title 31, United States Code, Section 1352, entitled "Limitation on use of appropriated funds to influence certain Federal contracting and financial transactions," generally prohibits recipients of Federal grants and cooperative agreements from using Federal (appropriated) funds for lobbying the Executive or Legislative Branches of the Federal Government in connection with a SPECIFIC grant or cooperative agreement. Section 1352 also requires that each person who requests or receives a Federal grant or cooperative agreement must disclose lobbying undertaken with non-Federal (non-appropriated) funds. These requirements apply to grants and cooperative agreements EXCEEDING \$100,000 in total costs (45 CFR Part 93).

The undersigned (authorized official signing for the contracting organization) certifies, to the best of their knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of

a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions. (If needed, Standard Form-LLL, "Disclosure of Lobbying Activities," its instructions, and continuation sheet are included at the end of this application form.)

- (3) The undersigned shall require that the language of this certification be included in the award documents for all subcontracts at all tiers (including subcontracts, subcontracts, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

4. CERTIFICATION REGARDING PROGRAM FRAUD CIVIL REMEDIES ACT (PFCRA)

The undersigned (authorized official signing for the contracting organization) certifies that the statements herein are true, complete, and accurate to the best of their knowledge, and that they are aware that any false, fictitious, or fraudulent statements or claims may subject them to criminal, civil, or administrative penalties. The undersigned agrees that the contracting organization will comply with the Public Health Service terms and conditions of award if a contract is awarded.

5. CERTIFICATION REGARDING ENVIRONMENTAL TOBACCO SMOKE

Public Law 103-227, also known as the Pro-Children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by Federal programs either directly or through State or local governments, by Federal grant, contract, loan, or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds. The law does not apply to children's services provided in private residence, portions of facilities used for inpatient drug or alcohol treatment, service providers whose sole source of applicable

Federal funds is Medicare or Medicaid, or facilities where WIC coupons are redeemed.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

By signing the certification, the undersigned certifies that the contracting organization will comply with the requirements of the Act and will not allow smoking within any portion of any indoor facility used for the provision of services for children as defined by the Act.

The contracting organization agrees that it will require that the language of this certification be included in any subcontracts which contain provisions for children's services and that all subrecipients shall certify accordingly.

The Public Health Services strongly encourages all recipients to provide a smoke-free workplace and promote the non-use of tobacco products. This is consistent with the PHS mission to protect and advance the physical and mental health of the American people.

6. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS INSTRUCTIONS FOR CERTIFICATION

- 1) By signing and submitting this proposal, the prospective Contractor is providing the certification set out below.
- 2) The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective Contractor shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective Contractor to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
- 3) The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective Contractor knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause of default.
- 4) The prospective Contractor shall provide immediate written notice to the department or agency to whom this contract is submitted if at any time the prospective Contractor learns that its certification

was erroneous when submitted or has become erroneous by reason of changed circumstances.

- 5) The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the person to whom this contract is submitted for assistance in obtaining a copy of those regulations.
- 6) The prospective Contractor agrees by submitting this contract that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by DOH.
- 7) The prospective Contractor further agrees by submitting this contract that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Covered Transaction," provided by HHS, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 8) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the Non-procurement List (of excluded parties).
- 9) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- 10) Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, DOH may terminate this transaction for cause or default.

7. CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY

MATTERS -- PRIMARY COVERED TRANSACTIONS

- 1) The prospective Contractor certifies to the best of its knowledge and belief, that it and its principals:
 - a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
 - b) Have not within a three-year period preceding this contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery,

falsification or destruction of records, making false statements, or receiving stolen property;

- c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - d) Have not within a three-year period preceding this contract had one or more public transactions (Federal, State or local) terminated for cause or default.
- 2) Where the prospective Contractor is unable to certify to any of the statements in this certification, such prospective Contractor shall attach an explanation to this proposal.

CONTRACTOR SIGNATURE REQUIRED

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
Please also print or type name:	
ORGANIZATION NAME: (if applicable)	DATE

SAMPLE CONTRACT - Continued

FEDERAL ASSURANCES - NON-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0040), Washington, DC 20503

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.

Note: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the awarding agency. Further, certain Federal awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the Contractor, I certify that the Contractor:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project cost) to ensure proper planning, management, and completion of the project described in this application. Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§ 290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.
2. Will give the awarding agency, the Comptroller General of the United States, and if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the award; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
4. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
5. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
6. Will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education
7. Will comply, or has already complied, with the requirements of Titles II and III of the uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal or federally assisted programs. These requirements

apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.

8. Will comply, as applicable, with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
9. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §§874) and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333), regarding labor standards for federally assisted construction subagreements.
10. Will comply, if applicable, with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
11. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clear Air) Implementation Plans under Section 176(c) of the Clear Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the

Safe Drinking Water Act of 1974, as amended, (P.L. 93-523); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended, (P.L. 93-205).

12. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §1721 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
13. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§469a-1 et seq.).
14. Will comply with P.L. 93-348 regarding the protection of human subjects involved in research, development, and related activities supported by this award of assistance.
15. Will comply with the Laboratory Animal Welfare Act of 1966 (P.L. 89-544, as amended, 7 U.S.C. §2131 et seq.) pertaining to the care, handling, and treatment of warm blooded animals held for research, teaching, or other activities supported by this award of assistance.
16. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
17. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, Audits of States, Local Governments, and Non-Profit Organizations.
18. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations and policies governing this program.

CONTRACTOR SIGNATURE REQUIRED

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
Please also print or type name:	
ORGANIZATION NAME: (if applicable)	DATE

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