



**COVERED**  
**CALIFORNIA**

**Request for Proposal  
RFP 2017-01 Document Imaging and Verification  
Solution**

**July 3, 2017**

# Table of Contents

- 1 INTRODUCTION..... 4
  - 1.1 Overview ..... 4
  - 1.2 Key Action Dates ..... 4
  - 1.3 Contact..... 4
  - 1.4 Contract Amount..... 4
  - 1.5 Contract Term..... 5
  - 1.6 Contract Amendment..... 5
  - 1.7 Bidders’ Questions ..... 5
  - 1.8 Submission of Proposals ..... 5
  - 1.9 Covered California Rights..... 6
  - 1.10 Rejection of Proposals..... 7
    - 1.10.1 Non-responsive Proposals..... 7
    - 1.10.2 Business in Good Standing ..... 8
  - 1.11 Errors in Final Proposals ..... 8
  - 1.12 Protest ..... 9
    - 1.12.1 General..... 9
    - 1.12.2 Grounds..... 10
    - 1.12.3 Requirements for Protest..... 10
    - 1.12.4 Terms of Protest..... 10
  - 1.13 Disposition of Bids ..... 11
  - 1.14 Contract Execution and Performance ..... 11
  - 1.15 Subsequent Solicitation ..... 11
  - 1.16 Addition or Subtraction of Services..... 11
  - 1.17 News Releases and Social Media ..... 11
- 2 Minimum Qualifications ..... 12
  - 2.1 Vendor Qualifications ..... 12
  - 2.2 Key Staff and Staff Qualifications ..... 12
  - 2.3 Reassignment of Personnel ..... 13
- 3 SCOPE OF WORK..... 13
  - 3.1 Overview of Covered California ..... 13
    - 3.1.1 CalHEERS..... 14
  - 3.2 Purpose ..... 15
    - 3.2.1 Current Process..... 16

3.3	Proposed Services and System.....	16
3.4	Scope of Work.....	19
3.5	Contract Completion Criteria .....	19
3.6	Contractor's Roles and Responsibilities .....	19
3.7	Covered California's Roles and Responsibilities .....	19
3.8	Project Assumptions and Constraints.....	20
3.9	Payment and Invoicing .....	20
4	PROPOSAL RESPONSE FORMAT AND CONTENT .....	21
4.1	Proposal Volumes .....	21
4.2	Submission Requirements.....	21
4.3	Copies Required.....	22
4.4	General Format Instructions .....	22
4.5	Administrative and Technical Proposal.....	23
4.5.1	Administrative Requirements.....	23
4.5.2	Understanding and Approach.....	23
4.5.3	Vendor Qualifications .....	24
4.5.4	Project Staffing .....	25
4.5.5	Technical Assumptions.....	26
4.5.6	Contract.....	26
4.6	Cost Proposal.....	27
4.6.1	Cost Assumptions.....	27
4.7	Proprietary Information and Confidential Status of Responses .....	27
5	REVIEW OF FINAL PROPOSALS FOR AWARD AND SELECTION CRITERIA	28
5.1	Phased Evaluation.....	28
5.2	Interviews .....	28
5.3	Evaluation Categories and Weight .....	28
5.4	Evaluation of Proposals.....	29
5.4.1	Administrative and Technical Proposal.....	29
5.4.2	Cost Proposal .....	34
5.4.3	Overall Bidder Score .....	35
6	PREFERENCE PROGRAMS .....	35
6.1	Small Business (SB) Preference .....	35
6.2	Disabled Veteran Business Enterprise (DVBE) – Declaration & Program Incentive .....	36
6.3	Commercially Useful Function .....	37

6.4 Target Area Contract Preference Act (TACPA) ..... 38  
Attachments ..... 39  
Model Contract With Exhibits ..... 39

## 1 INTRODUCTION

### 1.1 Overview

You are invited to review and respond to this Request for Proposal (RFP). By submitting a proposal, your organization agrees to the terms and conditions stated in this RFP.

**Read this document and any attachments in their entirety and carefully, as they may contain binding provisions that affect your rights and obligations.** You must comply with the instructions contained in this document. Responses to this RFP must be submitted to the Covered California contact noted in Section 1.3 below

### 1.2 Key Action Dates

Bidders are advised of the key dates and times shown below and are required to adhere to them. All times noted in this document are Pacific Time (PT).

#### KEY ACTION DATES

<b>Request for Proposal Release Date:</b>	<b>July 3, 2017</b>
<b>Questions Due Date and Time:</b>	<b>July 12, 2017</b>
<b>Responses to Questions Posted By:</b>	<b>July 19, 2017</b>
<b>Proposals Due Date and Time:</b>	<b>August 4, 2017</b>
<b>Interviews: (optional)</b>	<b>TBD</b>
<b>Notice of Intent to Award:</b>	<b>August 23, 2017</b>
<b>Estimated Term Dates:</b>	<b>September 1, 2017 - June 30, 2020</b>

### 1.3 Contact

E-mail address: [HBEXSolicitation@covered.ca.gov](mailto:HBEXSolicitation@covered.ca.gov)

(For all communications, subject line must include: RFP 2017-01)

Covered California  
Business Services Branch/Feuy Saechao  
1601 Exposition Blvd.  
Sacramento, CA 95815

Phone calls will not be accepted.

### 1.4 Contract Amount

Responses shall not exceed \$2,375,000.00 in total costs. Responses that exceed this amount will not be considered for selection.

It is currently expected that the estimated funding for the maintenance and operations portion of the contract will not exceed approximately \$325,000.00 per year for the term of the contract including extensions, if any.

Funding is subject to annual budget approval by the Covered California Board of Directors. If full funding does not become available, Covered California may terminate or amend the contract to reflect reduced funding and reduced deliverables.

### **1.5 Contract Term**

The initial term of the contract shall be for September 1, 2017 through June 30, 2020. The contract term is subject to change.

The resulting contract will be of no force or effect until signed by both parties. Performance shall not commence until a valid contract has been executed between the successful bidder and Covered California. Covered California will not pay for any services performed prior to the execution of a valid contract.

### **1.6 Contract Amendment**

Covered California may, at its sole discretion, extend the term of the contract for up to two (2) additional consecutive years for ongoing maintenance and operations.

If mutually agreed upon by Covered California and the Contractor, the contract may be amended to include additional funding at the same rates provided in the Bidder's original proposal.

### **1.7 Bidders' Questions**

Bidders must submit any questions regarding this RFP by the due date and time specified in the Key Action Dates table in Section 1.2. Only email questions addressed to the contact person listed in Section 1.3 will be accepted. Bidders must provide sufficient specific information to enable Covered California to identify and respond to their questions.

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

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

### **1.8 Submission of Proposals**

1. Bidders' Cost: Costs for developing proposals are entirely the responsibility of the bidder and are not chargeable to Covered California.
2. Completion of Proposals: Proposals must be complete in all respects and contain all required items as described in the requirements established within this RFP, its attachments, and any written responses to questions or amendments posted by Covered California on its website. A Final Proposal may be rejected by Covered California, in its sole discretion, if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. A Final

Proposal must be rejected by Covered California if any defect or irregularity constitutes a material deviation from the RFP requirements as determined by Covered California, in its sole discretion.

3. **False or Misleading Statements:** Proposals which contain false or misleading statements, or which provide references which do not support an attribute or condition claimed by the Bidder, may be rejected. If, in the opinion of Covered California, such information was intended to mislead Covered California in its evaluation of the proposal, or was included in Covered California's sole opinion as a result of gross negligence attributable to the bidder, and the attribute, condition or capability is a requirement of this RFP, it shall be grounds for rejection of the proposal.
4. **Errors:** If a Bidder discovers any ambiguity, conflict, discrepancy, omission or other error in this RFP, the Bidder shall immediately notify Covered California of such error by email to the contact in Section 1.3 and request modification or clarification of the RFP. Modifications or clarifications will be given by written notice posted on the website at <http://hbex.coveredca.com/solicitations/> without divulging the source of the request for modification or clarification. Covered California shall not be responsible for failure to correct errors or any Bidder's failure to regularly and timely check the website for changes.
5. **Importance of Meeting Deadlines:** Bidders are responsible and assume all risks for the delivery and receipt by Covered California of all submissions prior to the submission deadline. If a Bidder mails or otherwise ships the submission via a generally recognized approved transportation entity such as the U.S. Postal Service, Federal Express, United Parcel Service, etc. and provides Covered California with the entity's package tracking information and the tracking information indicates its delivery at Covered California by the submission deadline, the package will be considered to have arrived on time. U.S. Postal Service postmarks or other indicia of mailing of shipment, however, will not be accepted as proof of timely delivery. Faxed or electronic submissions will not be accepted. The stated deadlines for submitting and receipt of all materials to Covered California will be strictly enforced. Submissions that are incomplete or received after the stated deadline may not be accepted.
6. **Assessment of Proposals:** All proposals will be assessed the selection, if made, will be made to a single Bidder. The Scope of Work (SOW) and successful, bidder's proposal, and bid may, in Covered California's sole discretion, be made a part of the resulting Contract.

## 1.9 Covered California Rights

1. Verification of bidder Information.
2. By submitting a proposal, bidders agree to authorize Covered California to:
  - a. Verify any and all claims made by the bidder including, but not limited to, verification of prior experience and the possession of other required qualifications.

- b. Check any reference identified by a bidder or other resources known by the State to confirm the bidder's business integrity and history of providing effective, efficient, competent and timely services.
3. Covered California may, in its sole discretion, modify the RFP prior to the bid submission deadline by the issuance of an addendum on the website listed at <http://hbex.coveredca.com/solicitations/>.
4. Covered California reserves the right to reject any bid that does not satisfy the requirements set forth in the RFP. Before submitting a response to this RFP, Bidders should review, correct all errors, and confirm compliance with all of the RFP's requirements.

### 1.10 Rejection of Proposals

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

FINAL PROPOSALS NOT RECEIVED BY THE DATE AND TIME SPECIFIED IN SECTION 1.2 KEY ACTION DATES OR THAT ARE NOT SEALED, will remain unopened and, if delivery is accepted, will be maintained separately from proposals that have been timely received. Proposals received after expiration of the deadline may only be opened and considered upon written approval of Covered California's Executive Director or his/her designee specifying the reason(s) for acceptance and consideration of the untimely proposal.

Issuance of this RFP in no way constitutes a commitment by Covered California to award a contract. Covered California reserves the right to reject any or all proposals, or portions of proposals, received in response to this RFP, or to amend or cancel this RFP at any time. In the event of such cancellation, Covered California may reissue the RFP at a later date.

Covered California reserves the right to consider contractor's past performance with Covered California in its selection of a bidder pursuant to this RFP.

#### 1.10.1 Non-responsive Proposals

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

1. At any time a submission is received after the exact time and date set forth in section 1.2 Key Action Dates for receipt of each submission.
2. The bidder fails to meet any of the eligibility requirements as specified in Section 2, Minimum Qualifications.



3. The bidder fails to submit or fails to complete and sign required Attachments as instructed in this RFP.
4. The submission contains false, inaccurate or misleading statements or references.
5. The bidder is unwilling or unable to fully comply with the proposed contract provisions.
6. The bidder supplies conditional cost information, incomplete cost information, or cost information containing unsigned/uninitiated alterations or irregularities.

### 1.10.2 Business in Good Standing

Bidder acknowledges that when agreements are to be performed in the State of California by corporations or vendors, Covered California will verify, prior to awarding any State contract, the following information in order to ensure that all obligations due to the State are fulfilled:

#### Corporation in Good Standing

Covered California will verify with the California Secretary of State (SOS) that the Bidder is a corporation currently qualified to do business in California. The bid will be considered non-responsive if the Bidder is not listed with SOS.

“Doing business” is defined in California Revenue and Taxation Code Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the State not be subject to the franchise tax.

Both domestic and foreign (those incorporated outside of California) corporations must be in good standing in order to be qualified to do business in California.

#### State Tax Delinquency

Covered California will verify with the Franchise Tax Board (FTB) and Board of Equalization (BOE) that the bidder is not on a prohibited list due to tax delinquencies. The bid will be considered non-responsive if the bidder appears on any of these lists.

The list established by FTB can be found here:

[https://www.ftb.ca.gov/aboutFTB/Delinquent\\_Taxpayers.shtml](https://www.ftb.ca.gov/aboutFTB/Delinquent_Taxpayers.shtml)

The list established by BOE can be found here: <http://www.boe.ca.gov/cgi-bin/deliq.cgi>

### 1.11 Errors in Final Proposals

1. An error in the Final Proposal may cause the rejection of that proposal; however, Covered California may, AT ITS SOLE OPTION, retain the proposal and make

certain corrections. In determining if a correction will be made, Covered California will consider the conformance of the proposal to the format and content required by the RFP, and any unusual complexity of the format and content required by the RFP.

2. If the bidder's intent, as determined by Covered California, is clearly established based on review of the complete Final Proposal submittal, Covered California may at its sole option correct an error based on that established intent.
3. Covered California may at its sole option correct obvious clerical errors.
4. A bidder may modify a bid after submission by withdrawing its original bid and resubmitting a new bid prior to the bid submission deadline. Bidder modifications offered in any other manner, oral or written, will not be considered.
5. A bidder may withdraw its bid by submitting a written withdrawal request to Covered California, signed by the bidder or an authorized agent. Bids may not be withdrawn subsequent to the bid submission deadline without cause.
6. No oral understanding or contract shall be binding on either party.

At Covered California's sole discretion, it may declare bidders' proposals to be a draft proposal in the event that Covered California determines that final proposals from all bidders contain deviations. Should this occur, Covered California may hold confidential discussions with those bidders who submitted a proposal and who are interested in continuing to be considered.

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

## **1.12 Protest**

For formal competitive solicitations, any protest properly submitted within five working days of the posting of the Notice of Intent to Award will be considered. All protests will be reviewed and decided by the Executive Director or his/her designee.

The following protest procedures must be followed and included in all formal competitive solicitations:

### **1.12.1 General**

An unsuccessful bidder may protest the proposed award to another bidder by following the terms and conditions outlined below. The protestant challenging Covered California's proposed award bears the burden of proof.

### 1.12.2 Grounds

Protestant must cite the specific grounds for the protest and provide all facts and citations of law sufficient to support the protest and enable the Executive Director or his/her designee to make an informed, proper decision. Covered California will determine, in its sole discretion, if the protestant has demonstrated sufficient grounds to allow the protest to be heard. Abuse of the protest process by unsuccessful bidders for the purpose of securing confidential information about other bidders will be rejected by Covered California. The sole grounds for a protest are:

1. Protestant reasonably believes that Covered California has acted in an arbitrary and capricious manner; and/or
2. Protestant reasonably believes that Covered California committed an error in the bid process as stated in the solicitation that is sufficiently material to justify invalidation of the proposed award.

There shall be no basis for protest if Covered California rejects all bids or proposals.

### 1.12.3 Requirements for Protest

Protests must be submitted in writing, signed by an individual who is authorized to contractually bind the Bidder, and include all grounds and supporting facts and evidence upon which the protest is based, as well as all citations of law, rule, regulation or procedure upon which the protestant relies. Protests must be delivered to Covered California at the address indicated below by certified or registered mail or in person, in which case the protestant should obtain a delivery receipt. Protests must be received by Covered California no later than the close of business five days after the Notice of Intent to Award has been posted.

Protests must be mailed or delivered to:

<b>Mailing Address:</b>
Covered California
Attn: Peter Lee, Executive Director
1601 Exposition Blvd.
Sacramento, CA 95815

The Executive Director's or his/her designee's decision shall be final.

### 1.12.4 Terms of Protest

Scoring documents, evaluation and selection documents, other bidders' submissions or any other record created during the review of bids submitted in response to the RFP are not public records and are exempt from disclosure as public records pursuant to Government Code Section 100508(a).

A protestant who has demonstrated a legitimate ground for protest as described above may be provided limited access to certain relevant, non-public information regarding the

RFP and Covered California's consideration of submissions in response to the RFP upon the protestant's execution of a Non-Disclosure Agreement provided by Covered California and the approval of Covered California's General Counsel or his/her designee. Trade secret, proprietary and confidential information will be redacted from any documents disclosed to protestant as part of the protest process.

### **1.13 Disposition of Bids**

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

### **1.14 Contract Execution and Performance**

Performance shall begin no later than the date set forth in the RFP by Covered California and after the contract is fully executed, unless a later date is mutually agreed upon by Covered California and the Contractor. Notwithstanding any other provision, should the Contractor fail to commence work on the agreed date and time, Covered California, upon five (5) days written notice to the Contractor, reserves the right to terminate the contract. In such an event, the Contractor shall be liable to Covered California for the difference between the Contractor's bid price and, if greater, the actual cost of performing the work by a replacement contractor.

All performance under the contract shall be completed before the termination date of the contract, unless an earlier date is specified in the contract.

### **1.15 Subsequent Solicitation**

If at any time during negotiation of an agreement with the successful Bidder, Covered California determines it is not able to reach an agreement with the successful Bidder, Covered California may, in its sole discretion, terminate the negotiations and engage the next-highest-ranked bid without performing a subsequent solicitation.

### **1.16 Addition or Subtraction of Services**

Notwithstanding that bids have been submitted, at Covered California's sole discretion, the SOW may be modified prior to contract award to add or remove services through an addendum. If the date and time for submission of Final Proposals has passed as of the time the addendum is posted, and bids have been received, Covered California, in its sole discretion, may restrict responses to the modified SOW so that only entities that submitted timely bids in response to the initial RFP may respond to the addendum.

### **1.17 News Releases and Social Media**

By submitting a Final Proposal, Bidders and the selected Contractor agree that they will not issue news releases nor make statements to the news media or through social media channels pertaining to this RFP, their proposals, the contract, or work resulting therefrom, without first obtaining prior approval from Covered California.

## 2 MINIMUM QUALIFICATIONS

### 2.1 Vendor Qualifications

The minimum qualifications for a bidder are provided below.

Requirement	Mandatory or Optional
1. Five (5) years of demonstrated experience implementing and maintaining document imaging solutions for a government or private entity that processes over one million pages per year.	M
2. Two (2) years of experience developing and implementing a document imaging solution that integrates with business process management software (e.g. Oracle BPM) and an existing scanning solution.	M

### 2.2 Key Staff and Staff Qualifications

Covered California seeks a team with experience and knowledge of, or experience in, the process outlined in this RFP and the Model Contract Exhibit A – Scope of Work. The bidder must demonstrate that project team members assigned to the project possess the experience, education, knowledge and skills required to perform the work described in this RFP.

Covered California seeks a project team that includes at a minimum the following key staff:

- Project Manager
- Technical Lead
- Lead Business Analyst

The minimum qualifications for each position are provided below.

Requirement	Mandatory or Optional
The Project Manager shall have five (5) years of experience implementing and maintaining document imaging solutions that process over one million pages per year.	M
The Project Manager shall have a Project Management Professional (PMP) certification.	O
The Technical Lead shall have five (5) years of experience developing and implementing a document imaging solution with at least one (1) year of experience incorporating with business process management software (.e.g. Oracle BPM) and an existing scanning solution.	M

The Lead Business Analyst shall have three (3) years of experience gathering evaluating requirements, conducting gap analyses and preparing for business change on a document imaging project that processes over one million pages per year.	M
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## 2.3 Reassignment of Personnel

1. The Contractor shall not reassign key staff assigned to the contract during the contract term without prior written approval of Covered California. If a Contractor key staff is unable to perform duties due to illness, resignation, or other factors beyond the Contractor’s control, the Contractor shall make every reasonable effort to provide suitable substitute personnel.

The Contractor shall provide notice of its intent to reassign a key staff member and within thirty (30) Days of providing such notice, the Contractor shall provide the State Project Director with the proposed candidate’s résumé.

Replacement by State: The Covered California Project Manager may request that the Contractor replace a key staff member and shall advise the Contractor in writing of the basis for the request. In such event, the Contractor shall provide a proposed replacement candidate’s résumé within thirty (30) days of the date the requested replacement is made. Covered California will not unreasonably delay or deny approval of the Contractor’s personnel. The candidate receiving acceptance by Covered California shall be available to start immediately unless otherwise agreed to.

2. Substitute key staff shall not automatically receive the hourly rate of the individual or position being replaced. Covered California and the Contractor shall negotiate the hourly rate of any substitute personnel to the contract. The hourly rate negotiated shall be dependent, in part, on the experience and individual skills of the proposed substitute personnel. The negotiated rate cannot exceed the hourly rate stated in the contract.
3. Covered California reserves the right to request a Contractor key staff be removed from performing any work on the contract and on written notice to the Contractor, the Contractor shall assign a substitute employee.

## 3 SCOPE OF WORK

### 3.1 Overview of Covered California

Soon after the passage of national health care reform through the Patient Protection and Affordable Care Act of 2010 (ACA), California became the first state to enact legislation to establish a qualified health benefit exchange. The California state law is referred to as the California Patient Protection and Affordable Care Act (CA-ACA).

The goals and objectives of Covered California are to:

- Reduce the number of uninsured Californians by creating an organized, transparent marketplace for Californians to purchase affordable, quality health care coverage, to claim available federal tax credits and cost-sharing subsidies, and to meet the personal responsibility requirements imposed under the ACA;
- Strengthen the health care delivery system;
- Serve as an active purchaser, including creating competitive processes to select participating carriers and other contractors;
- Require that health care service plans and health insurers issue coverage in the individual and small employer markets and compete on the basis of price, quality, and service, and not on risk selection; and
- Meet federal and state law requirements, guidance and regulations.

Covered California is an independent public entity within California State government. It is governed by a five-member board appointed by the governor and legislature.

Covered California works in close partnership with:

- The Department of Health Care Services, which oversees and administers California's Medicaid Program (Medi-Cal) and other specifically-focused health programs;
- The two agencies that regulate health insurance in California, the Department of Managed Health Care and Department of Insurance; and
- A broad range of stakeholders whose constituencies will be impacted by health care reform.

For additional information on Covered California, please refer to the consumer website at: [www.CoveredCA.com](http://www.CoveredCA.com).

### 3.1.1 CalHEERS

The California Healthcare Eligibility, Enrollment, and Retention System (CalHEERS) is an automated system that:

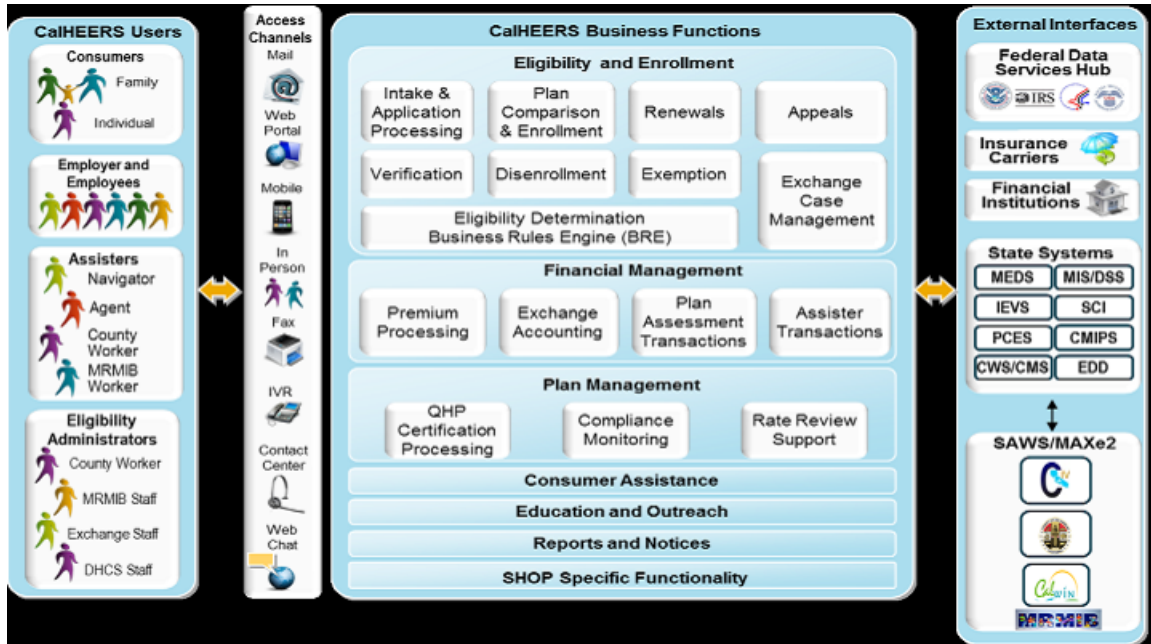
- Serves as the consolidated system support for eligibility, enrollment, and retention for Covered California
- Provides eligibility information about affordable coverage;
- Enrolls eligible Californians into affordable coverage and provide access to federal subsidies;
- Offers health plan choice information and helps people make informed choices among health plan options;

There are three (3) core consumer facing applications that make up the CalHEERS System:



- Eligibility – A custom application referred to as Accenture Health Benefit Exchange (AHBX)
- Enrollment – A commercial software product referred to as GetInsured Health Insurance Exchange (GHIX)
- Billing – A custom application referred to as Accenture Billing Engine (ABE)

The graphic below provides a CalHEERS business module overview including its users, business functions and interfaces.



### 3.2 Purpose

The purpose of this RFP is for Covered California to solicit proposals from qualified bidders to provide a document imaging and verification solution that will automate the extraction and validation of documents submitted as part of satisfying eligibility requirements.

Covered California shall own the solution and Contractor shall perform maintenance and operations of the solution during the term of the agreement. Upon expiration of the agreement Contractor shall transfer maintenance and operations to Covered California.

A critical component of Covered California eligibility is verification of information provided by applicants. Eligibility may need to be validated for a wide range of data elements including but not limited to immigration or citizenship status (e.g., U.S. birth certificate, passport), income (e.g., pay stub, tax form) and identity (e.g., driver's license, U.S. Military card.). This validation is done by the submission of verification documents, and in 2015, consumers submitted over 1.7 million documents that were manually reviewed and validated by staff in the Service Center.



### 3.2.1 Current Process

Most verification documents are mailed or faxed by consumers to a third party mail processing vendor. Consumers also use an upload page in CalHEERS—the eligibility and case management system used to support Covered California—to submit an image verification document. This upload page requires the consumer to identify the type of verification required and the document type that is intended to satisfy that verification need.

Mailed and faxed verification documents are received, scanned, and saved as Portable Document Format (PDF), and those PDF files are then uploaded to Oracle Enterprise Content Management (ECM) within CalHEERS using a batch SFTP process. Files provided using the upload page are stored directly in ECM. Once uploaded, each file is assigned a unique number by ECM that is loaded and sent from CalHEERS. These items are maintained in a SharePoint list that is updated daily.

Service Center representatives (SCRs) are responsible for manually matching image files to the verification need. SCRs open and view the verification document, compare it against the consumer data in CalHEERS, and determine whether the data on the verification document satisfies the corresponding verification need. If the verification is satisfied, the SCR updates CalHEERS to reflect the accepted verification, the consumer receives a notice, and the consumer's eligibility is cleared. If the verification is not satisfactory, SCRS attempt to contact the consumer to rectify the issue. If attempts to contact the consumer are not successful, the consumer's eligibility is denied.

### 3.3 Proposed Services and System

The objective of the Document Verification and Imaging Project is to automate the verification of documents using optical character recognition (OCR), data extraction, data capture, business rules, and workflow technologies.

#### **Documents Received via Fax or Mail**

Image files (which may contain multiple images) captured via fax and mail by the existing document scanning solution will be sent via batch from CalHEERS to the solution. Upon receipt of the image file, the solution will extract data from the image. The solution will then send case identifying data (e.g., name and date of birth) to CalHEERS. CalHEERS will receive the data, identify and associate the document to a case, and determine if there is an outstanding eligibility verification need. If the CalHEERS case has an open eligibility verification then it will send that verification request and the relevant consumer case data for that verification to the solution (e.g. if income verification then CalHEERS will send the consumer's name, reported income amount, pay period, etc.). The solution would then determine if the data extracted from the image and the relevant CalHEERS case data satisfies the verification need. Business rules housed in the solution would determine what matches must be made and the rules for each match type.

## Documents Received via CalHEERS Consumer Portal

Image files uploaded directly to CalHEERS via the consumer portal will be sent via batch to the solution along with the relevant consumer case data. Upon receipt of both image file and data, the solution will extract the needed data from the image, match or compare it to the consumer case data, and—using business rules—determine if the data extracted satisfies the verification need.

If the data match and the verification need is satisfied, the solution will send the confirmation (i.e. the 'yes' that there is a match). CalHEERS will link the image to the consumer's record and will process eligibility as it does today.

If the data do not match and/or the verification need is not satisfied, the solution will send a negative response (i.e. no the verification is not cleared by the submitted document). CalHEERS will create a task of the non-matching record to Oracle Business Process Management (BPM) where SCRs will manually attempt to conduct the verification. If that manual verification is successful, CalHEERS will process the consumer's eligibility as it does today. If that manual verification is not successful, the consumer's eligibility is denied.

In addition to the existing methods of fax, mail, and file upload via CalHEERS, Covered California seeks a mobile method which would enable a consumer to take a photo of a verification document using a tablet or mobile device that would be uploaded and processed by the solution. Given security and authentication limitations, Covered California believes this option must be done in the context of CalHEERS with either the software/application residing in CalHEERS or being developed by CalHEERS itself.

As the solution evolves Covered California hopes to have direct mobile upload with real time matching thereby giving the consumer an immediate response to his/her eligibility.

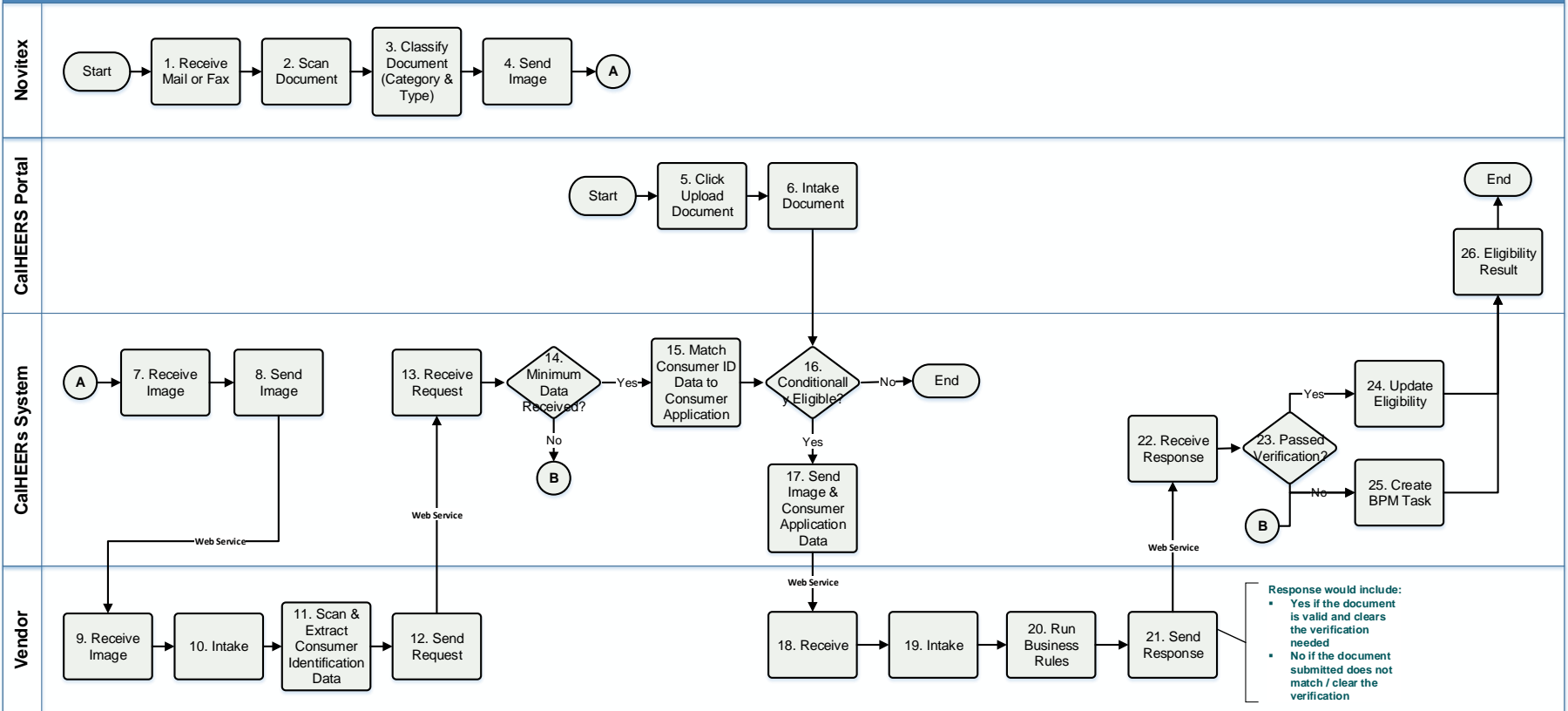
Covered California intends to host the solution at one the State's data centers. Bidders should be prepared to provide the required hardware and connectivity for its solution.

The new solution is anticipated to:

- Reduce manual verifications by as much as 75 percent
- Speed up the overall application process
- Allow Service Center staff to focus on complex customer inquiries and other tasks

The scope of the project includes all required software, integration services, implementation services, and three years of maintenance and operations of the solution. Bidders are encouraged to review the Statement of Work (Exhibit A, Attachment 1) to fully understand the requirements of the solution and project.

The graphic below provides a Document Verification and Imaging Project context overview including key integration points between systems.



### **3.4 Scope of Work**

See attachment Model Contract Exhibit A – Scope of Work, for a detailed description of the services and work to be performed as a result of this procurement.

### **3.5 Contract Completion Criteria**

The contract resulting from this RFP will be considered complete when Covered California has accepted the solution and the term of maintenance and operations has been completed.

### **3.6 Contractor's Roles and Responsibilities**

The Contractor shall:

1. Designate a person to whom all project communications may be addressed and who has the authority to act on all aspects of the contract. This person shall be responsible for the overall project and the contact for all invoicing and Contractor staffing issues.
2. Meet as required with Covered California staff to discuss progress.
3. Make its best efforts to maintain staff continuity throughout the life of the project. If a substitution becomes necessary, the Contractor shall submit resumes for Covered California's review, in advance, for all proposed personnel substitutions. All Contractor personnel substitutions must be approved in writing by the Covered California Representative. Failure to receive the required approvals may result in termination of the contract.

### **3.7 Covered California's Roles and Responsibilities**

Covered California shall:

1. Designate a Covered California Representative to whom all Contractor communications may be addressed and who has the authority to act on all aspects of the contract.
2. Provide access to business and technical documents as necessary for the Contractor to complete the tasks identified in this RFP.
3. Ensure appropriate resources are available to perform assigned tasks, attend meetings, and answer questions.
4. Ensure that decisions are made in a timely manner.
5. Provide work areas and meeting rooms as needed.
6. Identify and provide access to Subject Matter Experts (SME) to assist in the development of technical requirements.

### 3.8 Project Assumptions and Constraints

1. The Contractor's work hours shall be consistent with Covered California's key staff on-site, whose normal business hours are 8:00 AM to 5:00 PM PT, Monday through Friday, except for State holidays.
2. Overtime rates will not be reimbursed under the contract.
3. Travel will not be reimbursed under the contract.
4. Any modifications to tasks within Exhibit A – Scope of Work of the contract shall be defined, documented, and mutually agreed upon by the Contractor and Covered California's Representative prior to starting work on the modified task(s). Covered California's Representative may refine or clarify the services deemed necessary to meet the needs of this project in accordance with Covered California's priorities.
5. Covered California and the Contractor shall be mutually obligated to keep open and regular channels of communication in order to ensure the successful performance of the contract. Both parties shall be responsible for communicating potential problems or issues to Covered California's Representative and the Contractor's project team manager, respectively, within 48 hours of becoming aware of the problem or issue.

### 3.9 Payment and Invoicing

If the collection of fees assessed from QHPs are collectively not sufficient to provide the funds for this program, Covered California shall have the option to either cancel this Agreement with no liability occurring to Covered California or offer an agreement amendment to the Contractor to reflect the reduced amount.

Invoices for implementation costs may be submitted in accordance with the schedule contained below.

<b>Implementation Invoicing Schedule</b>		
<b>Milestone Payment</b>	<b>Invoice Submission Date</b>	<b>Payment Amount</b>
Acceptance of Workplan	Upon acceptance by Covered California	5 percent of the total Design, Development and Implementation of Solution charge
Licenses and Subscriptions	20 days after contract execution	100 percent of the Licenses and Subscription charge
Acceptance of Requirements Validation	Upon acceptance by Covered California	10 percent of the total Design, Development and Implementation of Solution charge
Acceptance of Detailed System Design	Upon acceptance by Covered California	20 percent of the total Design, Development and Implementation of Solution charge

Implementation Invoicing Schedule		
Milestone Payment	Invoice Submission Date	Payment Amount
Acceptance of User Acceptance Test	Upon acceptance by Covered California	20 percent of the total Design, Development and Implementation of Solution charge
Go-Live	Upon Covered California cutover to solution	25 percent of the total Design, Development and Implementation of Solution charge
Solution Acceptance	Upon Covered California acceptance of solution	20 percent of the total Design, Development and Implementation of Solution charge

Upon Solution Acceptance, invoices for maintenance and operations shall be submitted the month following the month in which charges are incurred. The Contractor shall not submit invoices more frequently than monthly.

## 4 PROPOSAL RESPONSE FORMAT AND CONTENT

### 4.1 Proposal Volumes

Bidders shall provide two separate binders/envelopes of their proposal:

1. Administrative and Technical Proposal
2. Cost Proposal

The format and content for each is described below.

### 4.2 Submission Requirements

This RFP requires Bidders to submit a Final Proposal that contains all required Administrative and Technical Attachments and Exhibits, and that is submitted in a sealed envelope or container when delivered to Covered California. The sealed package must be plainly and clearly marked on its face with: (1) the RFP number and title; (2) the Bidder’s name and address; and (3) the words “DO NOT OPEN”, as shown in the following example:

**RFP 2017-01: Document Imaging and Verification Solution**  
**Attention: Feuy Saechao**  
**Covered California**  
**Business Services Branch**  
**1601 Exposition Blvd.**  
**Sacramento, CA 95815**  
**DO NOT OPEN**

Bids not submitted under sealed cover may be rejected in the sole discretion of Covered California.

### 4.3 Copies Required

Provide one (1) hardcopy marked “MASTER,” nine (9) additional hard copies marked “COPIES” and one CD-ROM. All copies requested must be identical to the MASTER including the CD-ROM. Each copy of the proposal must be complete, including all required attachments and documentations.

The digital copy, including all attachments and exhibits, must be provided in searchable text format (e.g., Microsoft™ Word®, searchable Adobe® PDF) and free of any password or encryption protection.

### 4.4 General Format Instructions

Narrative portions of proposal responses should be prepared so as to provide a straightforward, concise delineation of the proposer’s capabilities to satisfy the requirements of this RFP. Emphasis should be on conformance with the RFP instructions, responsiveness to the RFP requirements and completeness and clarity of content. Expensive bindings, colored displays, promotional materials, etc., are not necessary or desired.

Bidders must follow the format requirements listed below for all narrative portions of the RFP. Failure to do so may result in an entire proposal or affected section not being read or evaluated, at Covered California’s sole discretion.

1. Use a Times New Roman, Arial, or Calibri font of at least 12-point size throughout. Exception: if a form is required by Covered California that contains a smaller font.
2. Print pages single-sided on letter size (8.5 by 11 inches) white paper with single line spacing, unless otherwise noted.
3. Use one-inch margins at the top, bottom and sides.
4. Sequentially number the pages in each section and clearly identify each section in the order requested. When a page limit is noted, pages exceeding the limit will not be reviewed or scored. It is not necessary to paginate the required forms.
5. Place the Bidder’s name in a header or footer on every page. If the Bidder’s name is not already entered elsewhere on a completed certification or form, add it to a header, footer or signature block.
6. Have a person who is authorized to bind the proposing entity sign each RFP attachment that requires a signature.
7. Place the original signed attachments in the set marked “MASTER.” Additional copies may have photocopied signatures on attachments and throughout the document.

## 4.5 Administrative and Technical Proposal

The Administrative and Technical proposal contains required forms and bidder response items including:

1. Administrative Requirements
2. Understanding and Approach
3. Vendor Qualifications
4. Project Staffing
5. Assumptions
6. Contract

The Administrative and Technical Proposal shall contain no cost information.

### 4.5.1 Administrative Requirements

This section shall include the following in the order specified below:

1. The “Proposal Cover Page” form (Attachment 1) completed and signed by a representative authorized to bind the bidding organization.
2. A Certificate of Liability Insurance equal to or greater than \$1,000,000.
3. Proof of Workers’ Compensation Liability Insurance.
4. Proof of Automobile liability, including non-owned auto liability, of \$1,000,000 per occurrence for persons used by Contractor for services provided pursuant to this Agreement.
5. A signed Federal Debarment Certification (Attachment 2).
6. A completed certification form showing, upon contract execution, that the Bidder and applicable staff agree to provide a completed Title 10, California Code of Regulations, Chapter 12, Article 1, Statement of Economic Interests (Form 700) (Attachment 3). For more information, see the California Health Benefit Exchange Conflict of Interest Code: <http://hbex.coveredca.com/resources/>, and the Fair Political Practices Commission site: <http://www.fppc.ca.gov/>
7. A signed Payee Data Record form STD 204 (Attachment 4)
8. Contractor Certification Form (Attachment 5)

### 4.5.2 Understanding and Approach

This section of the bidder’s proposal shall include the following:

1. Understanding of the project and objectives
2. Solution overview
3. Approach to integrating with an existing scanning solution and workflow solution
4. Approach to interface development
5. Approach to implementation



## 6. Initial workplan

Bidders are encouraged to review the scope of work carefully in developing their response. **DO NOT INCLUDE ANY REFERENCE TO COST IN THIS RESPONSE.**

This section of the bidder's proposal shall be no more than 25 pages.

### *4.5.2.1 Understanding of the Project and Objectives*

The bidder shall provide a description of its understanding of the project using the information provided in Section 3, Scope of Work, and relevant information in the Bidder's Library.

### *4.5.2.2 Solution Overview*

The bidder shall present a summary of its solution. Specific hardware and software must be identified as well as the licenses that will be required. The bidder must also present its plan and recommendation for solution hosting.

### *4.5.2.3 Approach to Integrating with an Existing Scanning Solution and Workflow Solution*

The bidder shall describe how its solution will work with Covered California's existing tools and systems. Specific challenges or risks, if applicable, must be identified.

### *4.5.2.4 Approach to Interface Development*

The bidder shall present a summary of how it intends to develop the interface with CalHEERS.

### *4.5.2.5 Approach to Implementation*

The bidder shall describe the activities involved in bringing the solution live prior to the 2017 open enrollment period. Risks and challenges with meeting this timeframe must be presented.

### *4.5.2.6 Initial Workplan*

The bidder shall presents its initial workplan for designing, developing and implementing its solution. The workplan shall also include the tasks and timeframes for submitting the required deliverables (refer to Requirement 79 in Exhibit A, Attachment 1 - Statement of Work).

## **4.5.3 Vendor Qualifications**

This section of the bidder's proposal shall describe the bidder's overall capability and shall include the following:

1. Corporate overview
2. Subcontractors and partners
3. Bidder Qualifications Form (Attachment 10)

#### 4. Bidder Reference Form (Attachment 14)

This section of the bidder's proposal shall be no more than eight (8) pages excluding forms.

##### **4.5.3.1 Corporate Overview**

The bidder shall present a description of its organization including number of years in business, corporate structure, high level organization chart and examples of similar scoped and scaled projects

##### **4.5.3.2 Subcontractors and Partners**

The bidder shall provide a description of any subcontractors and teaming partners including description of services offered, number of years in business, and specific role on this project.

##### **4.5.3.3 Bidder Qualifications Form (Attachment 10)**

The bidder shall complete and submit the Bidder Qualification Form.

##### **4.5.3.4 Bidder Reference Form (Attachment 14)**

The bidder shall submit Bidder Reference Forms. The bidder shall provide a Bidder Reference Form for each project listed on its Bidder Qualification Form.

#### **4.5.4 Project Staffing**

This section of the bidder's proposal shall describe the bidder's proposed project team shall include the following:

1. Team overview
2. Project organization and non-key staff
3. Project Management Certification (optional)
4. Staff Qualification Forms (Attachments 11 -13)
5. Staff Reference Forms (Attachments 15 -17)

This section of the bidder's proposal shall be no more than ten (10) pages, excluding forms.

##### **4.5.4.1 Team Overview**

The bidder shall present a summary of its proposed staff including names, title, proposed role and past experience.

##### **4.5.4.2 Project Organization and Non-Key Staff**

The bidder shall provide an organizational chart of its proposed team including any non-key staff that will be involved on the project. The bidder shall also provide a description of the nature of the work to be performed by non-key staff.

#### **4.5.4.3 Project Management Certification (Optional)**

This item is optional and allows a bidder to obtain five (5) additional proposal points.

If the bidder is proposing a Project Manager with a current Project Management (PMP) Certification, the bidder shall provide the PMP number and date of expiration as well as a copy of the PMP certification document.

#### **4.5.4.4 Staff Qualification Forms (Attachments 11-13)**

The bidder shall complete and submit the Staff Qualification Form for the Project Manager, Technical Lead, and Lead Business Analyst.

#### **4.5.4.5 Staff Reference Forms (Attachments 15-17)**

The bidder shall submit Staff Reference Forms for the Project Manager, Technical Lead, and Lead Business Analyst. The Bidder shall provide a Staff Reference Form for each project listed on each proposed staff member's Staff Qualification Form.

#### **4.5.5 Technical Assumptions**

The bidder shall document any assumptions it is making about the SOW, the responsibilities of the bidder and Covered California, and any other issues relevant to the bidder's offer and ability to do the work.

#### **4.5.6 Contract**

All proposals must be based on the Model Contract provided with this solicitation as described in:

- Exhibit A - Scope of Work
- Exhibit A, Attachment 1 – Statement of Work
- Exhibit B - Budget Detail and Payment Provisions
- Exhibit B, Attachment 1 – Cost Worksheet (Separate Sealed Envelope)
- Exhibit C - IT General Terms and Conditions
- Exhibit D - Additional Provisions
- Exhibit E - Privacy and Security Requirements
- Exhibit F – Marketing and Branding Guidelines

The bidder shall include a copy of the model contract in its proposal. A bidder must submit, as part of its response, changes or exceptions to the Model Contract that it wishes to negotiate. It is important to note that extensive exceptions to the contract may make the proposal non-responsive to the RFP if Covered California determines the proposed exceptions materially change the contractual relationship between the parties.

Bidder changes or exceptions in each contract exhibit must be documented using track changes. All proposed contract changes or exceptions must be included in the bidder's proposal at the time of submission. No additional exceptions may be presented during contract negotiations and Covered California reserves the right to reject all exceptions in the bidder's proposal.

## 4.6 Cost Proposal

The Cost Proposal shall be submitted in a separate sealed envelope.

The intent is to structure the pricing format in order to facilitate a straightforward comparison among all bidders and foster competition to obtain the best market pricing. Consequently, bidders must provide costs in the format presented in Exhibit B, Attachment 1 - Cost Worksheet.

Failure to comply with the format, provide incomplete proposals, or use alternative pricing structures or different formats than the one requested, may make the proposal nonresponsive and may result in bidder disqualification.

The Cost Worksheet lists the cost items required to implement, maintain, and operate the document imaging and verification system including the following line items:

- Licenses and Subscriptions
- Design, Development, and Implementation of Solution
- Software License per User (beyond base of 50 users)
- Monthly Maintenance and Operations (Initial term)
- Monthly Maintenance and Operations (up to two (2) option years)
- Labor Rates for Change Orders
- Project Manager
- Programmer
- Business Analyst
- Consumer Upload Page
- Contractor Hosting of Solution—Implementation
- Contractor Hosting of Solution—Monthly Cost

Bidders are required to complete all of the cells in the Cost Worksheets, even if the bidder is proposing no cost for a line item. In these instances, the bidder must indicate the cost as a zero (\$0). In addition, if any character other than a numeral is used (e.g., a dash), the State will assume the cost of the item to be zero (\$0). All other fields must not be modified.

### 4.6.1 Cost Assumptions

The bidder shall document any assumptions it is making as it relates to the bidder's cost proposal.

## 4.7 Proprietary Information and Confidential Status of Responses

Any documentation submitted which has been marked "Proprietary" or "Trade Secrets" may be rejected.

## 5 REVIEW OF FINAL PROPOSALS FOR AWARD AND SELECTION CRITERIA

### 5.1 Phased Evaluation

Written Responses to this RFP will be evaluated in two (2) phases:

- Phase 1, Administrative and Technical Evaluation: The evaluation team will conduct a pass/fail evaluation of the administrative and technical response. Thereafter, the response will be scored based on the completeness and quality of the content provided.
- Phase 2, Cost Evaluation: After the administrative and technical evaluations, the cost proposals will be opened. The evaluation of costs will include a pass/fail evaluation to verify that the cost proposal is submitted as requirements and then a score evaluation of each cost component.

### 5.2 Interviews

After Phase 2, interviews may be conducted with up to three (3) of the highest-rated bidders. The number of bidders interviewed and the decision whether to conduct interviews at all is within the sole discretion of Covered California. The specific staff to be interviewed will be agreed on by Covered California and the bidder at the time the interview is scheduled.

### 5.3 Evaluation Categories and Weight

The table below lists each part of the proposal and the weight it and its subcomponents will carry in the overall evaluation of each proposal.

Scoring Criteria	Weight	Points
<b><i>Administrative and Technical Proposal (600 points)</i></b>		
Administrative Requirements	NA	Pass/Fail
Understanding and Approach	30%	300
Vendor Qualifications	15%	150
Project Staffing	15%	150
Assumptions	NA	NA
Model Contract	NA	Pass/Fail
<b><i>Cost Proposal (400 points)</i></b>		
Licenses and Subscriptions	6%	60
Design, Development, and Implementation of Solution	7%	70

Software License per User (beyond base of 50 users)	1%	10
Monthly Maintenance and Operations Term (initial term)	10%	100
Monthly Maintenance and Operations (option years)	7%	70
Labor Rates for Change Orders		
Project Manager	1%	10
Programmer	2%	20
Business Analyst	1.5%	15
Consumer Upload Page	4%	40
Contractor Hosting of Solution—Implementation	0.25%	2.5
Contractor Hosting of Solution—Monthly Maintenance Cost	0.25%	2.5
Totals	100%	1000

After application of the evaluation criteria described below, the highest-rated proposal shall be recommended for selection. If two or more of the highest-rated responses are evaluated as substantially equal, the contract may be awarded to the bidder with the highest level of Small Business and Disabled Veteran Business Enterprise participation.

See Section 6, Preference Programs, of this RFP for an explanation of the application of Small Business and Disabled Veteran Business Enterprise preference points.

## 5.4 Evaluation of Proposals

### 5.4.1 Administrative and Technical Proposal

This section presents information on the evaluation of the administrative and technical response.

#### 5.4.1.1 Administrative Requirements

The evaluation of the Administrative Requirements is pass/fail. All forms will be reviewed to see if they were submitted and filled out completely. Failure to include a mandatory form or providing a response that is incomplete may result in the bidder's proposal being deemed nonresponsive.

#### 5.4.1.2 Understanding and Approach

This are six (6) areas to be evaluated including:

1. Understanding of the project and objectives
2. Solution overview
3. Approach to integrating with an existing scanning solution and workflow solution
4. Approach to interface development
5. Approach to implementation
6. Initial workplan

Each topic is scored and has a maximum value of 50 points for a combined maximum value of 300 points.

Evaluation Criteria	Maximum Points
To receive 50 points, all of the following must be met: a. The narrative response addresses <b>all</b> elements of the requirement. b. The bidder's narrative response provides additional insight to the services requested, or an in-depth approach to the requirement; and c. The bidder's response demonstrates a clear understanding of the level of effort needed for Covered California.	50
To receive 35 points: a. The narrative response addresses <b>some</b> , but not all, elements of the requirement; and b. The bidder's narrative response provides additional insight to the services requested, or an in-depth approach to the requirement.	35
To receive 15 points: a. The narrative response addresses <b>some</b> , but not all, elements of the requirement; however, <b>no additional</b> details are provided.	15

#### 5.4.1.3 Evaluation of Vendor Qualifications

There are four (4) areas to be evaluated including:

1. Corporate overview
2. Subcontractors and partners
3. Bidder Qualifications Form
4. Bidder Reference Forms

Failure to provide any of the aforementioned areas will result in the bidder being deemed nonresponsive.

#### **5.4.1.3.1 Corporate Overview**

The evaluation of the corporate overview is pass/fail. The evaluation team will validate that the bidder provided a narrative in accordance with the requirements in Section

#### **5.4.1.3.2 Subcontractors and Partners**

The evaluation of the subcontractors and partners is pass/fail. The evaluation team will validate that the bidder provided a narrative in accordance with the requirements in Section 4.5.3.2, Subcontractors and Partners.

#### **5.4.1.3.3 Bidder Qualifications Form**

The evaluation of the Bidder Qualifications Form is pass/fail. The evaluation team will validate that the form(s) submitted was complete, and does not contain exceptions to the requirement(s).

#### **5.4.1.3.4 Bidder Reference Forms**

The evaluation of the Bidder Reference Forms is scored. The Bidder shall provide a Bidder Reference Form for each project listed on the Bidder Qualification Form. The State evaluation team will validate that the forms submitted are complete, and do not contain exceptions to the requirement(s). The evaluation of the Bidder Reference Forms is scored and has a value of 150 points. Each Bidder Reference Form must be signed by a client reference contact that performed an oversight role on the referenced project. If any of the performance and ability statements contain a rating of 0 points = No Value, the proposal may be deemed nonresponsive and the bidder may be disqualified.

The average of all reference forms submitted will be calculated using the following formula:

$$\frac{\text{Total of all Bidder Reference Scores}}{\text{Number of Bidder Reference Forms Submitted}} = \text{Average Bidder Reference Score}$$

Then, the Average Bidder Reference Score will be used to calculate the Final Bidder Reference Score using the following formula:

$$\frac{\text{Average Bidder Reference Score} \times 150 \text{ Points Scores}}{\text{Maximum Possible Score per Reference (12)}} = \text{Final Bidder Reference Score}$$



#### 5.4.1.3.5 Final Vendor Qualifications Score

The final Vendor Qualifications score is determined by confirming all pass/fail components are scored as pass and summing the points as shown in the table below.

Item	Score
Corporate Overview	Pass/Fail
Subcontractors and Partners	Pass/Fail
Bidder Qualifications Form	Pass/Fail
Bidder Reference Score	Up to 150 points
<b>Total Score</b>	<b>Up to 150 points</b>

#### 5.4.1.4 Evaluation of Project Staffing

There are five (5) areas to be evaluated including:

1. Team overview
2. Project organization and non-key staff
3. Staff Qualification Forms
4. Project Management Certification (optional)
5. Staff Reference Forms

Failure to provide any of the aforementioned areas will result in the bidder being deemed nonresponsive.

##### 5.4.1.4.1 Team Overview

The evaluation of the team overview is pass/fail. The evaluation team will validate that the bidder provided a narrative in accordance with the requirements presented in Section 4.5.4.1, Team Overview.

##### 5.4.1.4.2 Project Organization and Non Key Staff

The evaluation of the project organization is pass/fail. The evaluation team will validate that the bidder provided an organization chart and supporting narrative in accordance with the requirements presented in Section 4.5.4.2, Project Organization and Non-Key Staff.

##### 5.4.1.4.3 Staff Qualifications Form

The evaluation of each Staff Qualifications Form is pass/fail. The evaluation team will validate that the form(s) submitted was complete, and does not contain exceptions to the requirement(s).

#### 5.4.1.4.4 Project Management Certification

The evaluation of the Project Management (PMP) Certification is optional and scored. If the proposed Project Manager has a current and active Project Management Professional Certification, the registration number will be verified and, if verified, five (5) points will be added to the Bidder's final project staffing score. PMP candidates or those with an inactive or expired PMP will not receive the additional points.

#### 5.4.1.4.5 Staff Reference Forms

The evaluation of the Staff Reference Forms is scored. Covered California evaluation team will validate that the forms submitted are complete, and do not contain exceptions to the requirement(s). The bidder must submit a reference for each project cited on a proposed staff member's Staff Qualifications Form. Each Staff Reference Form must be signed by a client reference contact that performed an oversight role on the referenced project.

If any of the performance and ability statements contain a rating of 0 points = No Value, the proposal may be deemed nonresponsive and the bidder may be disqualified.

The average of all reference forms submitted will be calculated using the following formula:

$$\frac{\text{Total of all Staff Reference Scores}}{\text{Number of Staff Reference Forms Submitted}} = \text{Average Staff Reference Score}$$

Then, the Average Staff Reference Score will be used to calculate the Final Bidder Reference Score using the following formula:

$$\frac{\text{Average Staff Reference Score} \times 150 \text{ Points Scores}}{\text{Maximum Possible Score per Reference (12)}} = \text{Final Staff Reference Score}$$

#### 5.4.1.4.6 Final Project Staffing Score

The overall Project Staffing score is determined by confirming all pass/fail components are scored as pass and summing the points as shown in the table below.

Item	Score
Team overview	Pass/Fail
Project Organization	Pass/Fail
Staff Qualifications Forms	Pass/Fail
PMP Certification (optional)	5 points
Staff Reference Score	Up to 150 points
<b>Total Score</b>	<b>Up to 155 points</b>

#### 5.4.1.5 Technical Assumptions

There is no evaluation of the technical assumptions. A bidder may or may not include assumptions.

#### 5.4.1.6 Contract

The evaluation team will validate that the contract exhibits are included. Failure to include contract materials may result in the bidder's proposal being deemed nonresponsive.

### 5.4.2 Cost Proposal

Cost proposals will be opened after the administrative and technical evaluation of bidder proposals is complete. A bidder must receive a minimum score of 450 points total in its administrative and technical score in order to participate in the cost evaluation.

For evaluation and scoring purposes, any individual cost identified as zero (\$0), will be given a value of \$.01 so that no number or a negative number is avoided. For cost tables where amounts are summed or a cumulative amount is derived, if a bidder enters all individual costs as zero (\$0), for evaluation and scoring purposes, the cumulative amount for the costs in that table will be \$.01.

Each cost item is scored similarly. The bidder with the lowest cost for a given cost item will receive the maximum points possible for that cost item. All other bidders will receive a percentage of the maximum points available using the following formula:

$$\frac{\text{Lowest Cost for Cost Item} \times \text{Maximum Available Points for Cost Item}}{\text{Bidder's Cost for Cost Item}} = \text{Bidder Cost Item Score}$$

#### 5.4.2.1 Final Cost Proposal Score

The Final Cost Proposal score is determined by summing the points as shown in the table below.

<b>Cost Item</b>	<b>Score</b>
Licenses and Subscriptions	Up to 60 points
Design, Development, and Implementation of Solution	Up to 70 points
Software License per User (beyond base of 50 users)	Up to 10 points
Monthly Maintenance and Operations (Initial term)	Up to 100 points
Monthly Maintenance and Operations (option years)	Up to 70 points
Labor Rates for Change Orders	
Project Manager	Up to 10 points
Programmer	Up to 20 points
Business Analyst	Up to 15 points
Consumer Upload Page	Up to 40 points

Contractor Hosting of Solution—Implementation	2.5
Contractor Hosting of Solution—Monthly Cost	2.5
<b>Total Cost Proposal Score</b>	<b>Up to 400 points</b>

#### 5.4.2.2 Cost Assumptions

There is no evaluation of the cost assumptions. A bidder may or may not include assumptions.

#### 5.4.3 Overall Bidder Score

The Overall Bidder Score is based on the sum of the administrative and technical proposal score and the cost proposal score as shown below.

<b>Proposal Section</b>	<b>Score</b>
Administrative and Technical Proposal Score Requirements	Up to 605 points*
Cost Proposal	Up to 400 points
<b>Total</b>	<b>Up to 1005 points</b>

\* Includes five extra points for PMP certification.

Contract award will be given to the bidder with the highest overall bidder score.

## 6 PREFERENCE PROGRAMS

### 6.1 Small Business (SB) Preference

This RFP does not require bidders to meet a minimum SB participation percentage or goal. Participation in this program is optional. However, if bidders use subcontractors, bidders are encouraged to subcontract with SBs.

Section 14835, et seq. of the California Government Code (GC) requires a 5% preference be given to bidders who qualify as a SB. The rules and regulations of this law, including the definition of a small business for the delivery of goods and services, are contained in California Code of Regulations (CCR's), Title 2, section 1896, et seq. The SB preference is for California-based Certified SB's (CCSB) only.

A bidder claiming the 5% preference must be certified by California as a small business or must commit to subcontract at least 25% of the net bid price with one or more CCSB. Certification must be obtained no later than 3:00 PM on the bid due date.

The incentive is applied in determining the total cost score by reducing the qualified bidder's score by the amount of the incentive as computed on the lowest score submitted by a responsive bidder. This reduction is applied solely for evaluation purposes.

The preference is used only for computation purposes to determine the winning bidder and does not alter the amounts of the resulting contract. A contract awarded on the basis of the preference is awarded to the small business, microbusiness or non-small business for the actual amount of the proposal.

If a bidder is currently certified as a small business by the Department of General Services, Office of Small Business and DVBE Services, or any city, county, federal, etc., certifying office, only a copy of that certification is required.

For more information on the requirements of, and how to obtain, SB and DVBE certification, visit the DGS website at <http://www.dgs.ca.gov/pd/Programs/OSDS.aspx>.

During the contract term, the Contractor's SB compliance will be calculated on the completed work as verified by an audit of the Contractor's invoices and Contractor's payments to designated subcontractors.

If the bidder or proposed subcontractor possesses a Small Business Certification and wishes to take advantage of the preference program, the bidder must complete and submit the Bidder Declaration (Attachment 6) with its proposal package.

## **6.2 Disabled Veteran Business Enterprise (DVBE) – Declaration & Program Incentive**

This RFP does not require bidders to meet a minimum DVBE participation percentage or goal. Participation in this program is optional. However, bidders are encouraged to subcontract with DVBEs.

Pursuant to Military and Veterans Code section 999.2, each State department has a participation goal of not less than 3% for disabled veteran business enterprises. These goals apply to the overall dollar amount expended each year by the awarding department.

Covered California recognizes disabled veterans for their service by establishing a DVBE Participation Program. The program is intended to further veterans' participation in Covered California contracting, promote competition and encourage greater economic opportunity. Covered California determines whether to include DVBE participation requirements in specific solicitations based on the availability of contracting or subcontracting opportunities within the scope of services of the particular contract.

A bidder may achieve participation by qualifying as a DVBE or by contracting with DVBE subcontractors. DVBEs must perform a commercially useful function, related to the bid specifications as required by Military and Veterans Code section 999(b)(5)(B).

In order to encourage DVBE participation, Covered California will apply a DVBE incentive as follows:

<b>Confirmed DVBE Participation</b>	<b>DVBE Incentive</b>
5% or more	5%
4-4.99%	4%
3-3.99%	3%
2-2.99%	2%
1-1.99%	15

The incentive is applied in determining the total cost score by reducing the qualified bidder's score by the amount of the incentive as computed on the lowest score submitted by a responsive bidder. This reduction is applied solely for evaluation purposes.

If the bidder with the lowest monetary bid or best value, prior to application of the incentive, is a California-certified Small Business, only other certified small businesses will be eligible to receive the Small Business incentive bonus. If after application of incentives, two or more responsive bids tie for lowest monetary bid or best value, the contract may be awarded to the bidder with the highest level of DVBE participation, if it is determined that the bid provides the Best Value to the State.

During the contract term, the Contractor's DVBE compliance will be calculated on the completed work as verified by an audit of the Contractor's invoices and Contractor's payments to designated subcontractors.

If the bidder or proposed subcontractor possesses a Disabled Veteran Enterprise Certification and wishes to take advantage of the preference program, the bidder must complete and submit the Bidder Declaration (Attachment 6), and Disabled Veteran Business Enterprise (DVBE) Declaration (Attachment 7) with its proposal package.

### **6.3 Commercially Useful Function**

Only State of California, Office of Small Business and DVBE Services (OSDS), certified DVBEs who perform a Commercially Useful Function (CUF) relevant to this solicitation may be used to satisfy the DVBE participation goal. The criteria and definition for performing a CUF are below. When responding to this RFP, bidders will need to verify each DVBE subcontractor's certification with OSDS to ensure DVBE eligibility.

**CUF Definition.** California Code of Regulations, Title 2, section 1896.61(l): The term "DVBE contractor, subcontractor or supplier" means any person or entity that satisfies the ownership (or management) and control requirements of section 1896.61(f); is certified in accordance with section 1896.70; and provides services or goods that contribute to the fulfillment of the contract requirements by performing CUF.

As defined in Military Veterans Code section 999, a person or an entity is deemed to perform a CUF if a person or entity does **all** of the following:

1. Is responsible for the execution of a distinct element of the work of the contract.

2. Carries out the obligation by actually performing, managing, or supervising the work involved.
3. Performs work that is normal for its business services and functions.
4. Is responsible, with respect to products, inventories, materials, and supplies required for the contract, for negotiating price, determining quality and quantity, ordering, installing, if applicable, and making payment.
5. Is not further subcontracting a portion of the work that is greater than that expected to be subcontracted under normal industry practices.

A contractor, subcontractor or supplier will not be considered to perform a CUF if the contractor's, subcontractor's or supplier's role is limited to that of an extra participant in a transaction, contract or project through which funds are passed in order to obtain the appearance of DVBE participation.

#### **6.4 Target Area Contract Preference Act (TACPA)**

This RFP does not include TACPA preferences. However, during the RFP process, Bidders may apply for the preference. Bidders are encouraged to review the package carefully to ensure that their submittals conform to the program's preference requirements. See <http://www.pd.dgs.ca.gov/disputes/default.htm>.

If the bidder wishes to take advantage of the TACPA preference program, the bidder must complete and submit the Target Area Contract Preference Act Preference Request for Goods and Services Solicitations, Form STD 830 (Attachment 7) and Form DGS/PD 526 (Attachment 8) with its proposal package.

## **Attachments**

Attachment 1: Proposal Cover Page  
Attachment 2: Federal Debarment, Suspension, Ineligibility and Voluntary Exclusion – Certification  
Attachment 3: Form 700 Statement of Economic Interest Certification  
Attachment 4: Form STD 204 – Payee Data Record  
Attachment 5: Contractor Certification Form  
Attachment 6: Form GSPD-05-105 – Bidder Declaration  
Attachment 7: Form STD 843 – Disabled Veteran Business Enterprise (DVBE) Declaration  
Attachment 8: Form STD 830 – Target Area Contract Preference Act (TACPA)  
Attachment 9: Form DGS/PD 526 Bidder’s Summary (TACPA)  
Attachment 10: Bidder Qualifications Form  
Attachment 11: Staff Qualifications Form, Project Manager  
Attachment 12: Staff Qualifications Form, Technical Lead  
Attachment 13: Staff Qualifications Form, Lead Business Analyst  
Attachment 14: Bidder Reference Form  
Attachment 15: Staff Reference Form, Project Manager  
Attachment 16: Staff Reference Form, Technical Lead  
Attachment 17: Staff Reference Form, Lead Business Analyst  
Attachment 18: Proposal Checklist

## **Model Contract with Exhibits**

Standard 213

Exhibit A – Scope of Work

Exhibit A, Attachment 1 – Statement of Work

Exhibit B – Budget Detail and Payment Provisions

**Exhibit B, Attachment 1 – Cost Worksheet (Separate Sealed Envelope)**

Exhibit C – IT General Terms and Conditions

Exhibit D – Additional Provisions

Exhibit E – Privacy Addendum

Exhibit F – Marketing and Branding Guidelines