
SECTION V: COST PROPOSAL REQUIREMENTS**A. Introduction**

As a result of this procurement, the Department seeks to award a contract to the Offeror that will meet the Department's requirements and standards and provide the best combination of services and cost over the term of the contract.

The Department expects the selected Offeror to provide an aggressive pricing proposal consistent with the size and functional requirements for the DEAS.

B. Cost Structure

1. The Department may elect to administer the Amnesty Period. However, the Department may opt to have the Contractor administer the Amnesty Period under this Agreement. There will be only one Amnesty Period for all groups (NY, PE and PA). Further, the Department may elect to have the Contractor conduct the audit of NYSHIP eligibility in two stages. In the event the Department elects to do the audit in two stages, an audit of State and PE dependent eligibility will be conducted first. Based on the results of this group, the Department will decide whether to proceed with an audit of Participating Agency dependent eligibility. The audit of PA dependents may commence prior to the conclusion of the NY/PE audit. **Based on these variables, Offerors are required to submit three separate single flat fees (each which includes associated postage costs) for:**

- (1) the administration of the Amnesty Period,**
- (2) the audit of State and PE dependent eligibility, and**
- (3) the audit of PA dependent eligibility.**

The Department or the Offeror may initiate negotiations to adjust the single flat fee for (1) the administration of the Amnesty Period, (2) the audit of State and PE dependent eligibility or (3) the audit of PA dependent eligibility, in the event the actual referral of family contracts is 10% less than or 10% greater than the family contract counts (see Exhibit IV) at the time the RFP is released. Any agreement

regarding any changes in the proposed fee must be through amendment to the contract and approved by the Office of the State Comptroller.

2. Submission Requirements:

The Offeror must submit a completed **Exhibit IV** in response to this requirement. The Department requires the Offeror to quote three separate single flat fees for each of the following tasks:

- (1) the administration of the Amnesty Period for State, PE and PA family contracts,
- (2) the audit of State and PE family contracts and
- (3) the audit of PA family contracts.