

SECTION VI: EVALUATION AND SELECTION CRITERIA

Proposals determined by the Department to satisfy the submission requirements set forth in Section III of this RFP will be evaluated by the Department, the Governor's Office of Employee Relations (GOER), and the Division of the Budget (DOB), assisted by any person(s), other than one associated with a competing Offeror, designated by the Department. Proposals will be made available to representatives of State employee unions for review and comment. An Offeror's Proposal may be removed from the evaluation process and not be considered should it be determined that the Offeror did not demonstrate to have met one of more of the Minimum Mandatory Requirements set forth in Section III of this RFP, despite any attestation made by the Offeror regarding the Minimum Mandatory Requirements.

During the evaluation process, the Department may require clarifying information from an Offeror for the purpose of assuring the Department's full understanding of the Offeror's responsiveness to the RFP requirements and the duties and responsibilities set forth therein. This clarifying information must be submitted in writing in accordance with formats set forth in Section II of this RFP and, if submitted timely, shall be included as a formal part of the Offeror's Proposal. Failure to provide required information by the due date set forth in the Department request for clarification may result in rejection of the Offeror's Proposal. Nothing in the foregoing shall mean or imply that it is obligatory upon the Department to seek or allow clarifications provided for herein. The Department may, at its discretion, elect to perform site visits of Offerors' facilities and have all Offerors provide oral presentations pertaining to their Proposal. The Vision Services Procurement Manager will coordinate the necessary scheduling arrangements with Offerors.

The Department will consider for evaluation and selection purposes only those Proposals that, as determined by the State, meet the Minimum Mandatory Requirements specified in Section III of this RFP and are responsive to the duties and responsibilities set forth in the RFP. The evaluation will entail the review and scoring of the Offeror's Administrative, Technical and Cost Proposals. The Technical and Cost evaluation process is based on 1,000 available points with 200 points available to the Technical Proposal and 800 points available to the Cost Proposal (i.e., 20% allocated to the Technical Proposal and 80% allocated to the Cost Proposal). The Technical Proposal and Cost Proposal are evaluated separately and scored as described below.

The Department intends to select that responsive and responsible Offeror whose Proposal offers the best value to the Department and the State as specified in the following evaluation criteria for the purpose of entering into negotiations for the execution of a contract (i.e., the Agreement).

A. Technical Evaluation – 20% of Overall Score

The Technical Proposal of those Offerors that meet the Minimum Mandatory Requirements will be evaluated by the Department, and others deemed appropriately by the Department. Each Offeror's ability and willingness to deliver the Program Services described in this RFP will be evaluated and scored based on a weighted point system. The evaluation of the Offeror's Technical Proposal will be based on that Offeror's written Technical Proposal; responses to clarifying questions, if any; information obtained through reference checks, including specific reference checks made with the Directors' of Employee Benefits at the Department and GOER for any Offeror (contract/key Subcontractors) who performed services under a contract with the Department and, as deemed necessary by the Department, oral presentation(s) conducted to amplify and/or clarify that Offeror's proposed Technical Proposal; and site visits.

1. Technical Score Ratings

Offerors' Technical Proposals will be evaluated based on the following rating scale and criteria as applied to the Offeror's response to each evaluated requirement, excepting in the case of Performance Guarantees. A rating of "excellent" equates to a score of 5 for each evaluated requirement. Each reduction in the ratings results in a one point reduction in the score such that a rating of "poor" equates to a score of 1.

EXCELLENT (5)

The Offeror far exceeds the requirement. The response provided indicates that the Offeror will provide very high quality services and is very pro-active and innovative.

GOOD (4)

The Offeror exceeds the requirement. The response provided indicates that the Offeror will exceed the Plan's needs. The Offeror demonstrates some innovative features not shown in typical proposals.

MEETS CRITERIA (3)

The Offeror meets but does not exceed the requirement. The response provided indicates that the Offeror will meet the Plan's needs.

FAIR (2)

The Offeror's answer is minimal; or the answer is very general and does not fully address the requirement; or the Offeror meets only some of the requirement.

POOR (1)

The Offeror misinterpreted or misunderstood the requirement; or the Offeror does not answer the requirement in a clear manner or the Offeror does not address or meet the requirement.

The Offeror's commitment to meet or exceed the various Service Level Standards, including their associated standard performance credit amounts, as set forth in the RFP will be evaluated and scored based on the following rating scale and criteria. For each Service Level Standard, said rating scale and criteria will be applied to the two components of the Offeror's proposed response to a given Service Level Standard: 1) the Offeror's proposed level of performance as guaranteed, and 2) the Offerors proposed credit amount to be applied to the Offeror's Monthly Administrative Fee for the failure to meet the Offeror's guaranteed level of performance, as proposed (Credit Amount) to arrive at a score for a given Service Level Standard. (**Note:** An Offeror's proposed level of performance as guaranteed and its proposed credit amount are hereinafter collectively referred to as a "Performance Guarantee.")

2. Performance Guarantee Ratings

A rating of "excellent" equates to a score of 5 for each evaluated Service Level Standard. Each reduction in the ratings results in a one point reduction in the score such that a rating of "poor" equates to a score of 1.

Offeror may propose Performance Guarantees that exceed the minimum Service Level Standards and its associated standard performance credit amounts presented in this RFP. Proposed

Performance Guarantees are contained within the respective technical areas and will be evaluated using the following rating scale and criteria:

a. EXCELLENT (5)

- (1) The Offeror's proposed level of performance as guaranteed exceeds the Plan's Service Level Standard contained in the RFP; and
- (2) The Offeror's proposed Credit Amount is one hundred and twenty-five percent (**125%**) or more of the standard performance credit amount stated in the RFP.

b. GOOD (4)

- (1) The Offeror's proposed level of performance as guaranteed equals the Plan's Service Level Standard contained in the RFP, and the Offeror's proposed Credit Amount is one hundred and twenty-five percent (**125%**) or more of the standard performance credit amount stated in the RFP; or
- (2) The Offeror's proposed level of performance as guaranteed exceeds the Plan's Service Level Standard contained in the RFP; and the Offeror's proposed Credit Amount is greater than one hundred percent (**100%**) but less than one hundred and twenty-five percent (**125%**) of the standard performance credit amount stated in the RFP.

c. MEETS CRITERIA (3)

- (1) The Offeror's proposed level of performance as guaranteed equals or exceeds the Plan's Service Level Standard contained in the RFP; and
- (2) The Offeror's proposed Credit Amount equals the standard performance credit amount stated in the RFP.

d. FAIR (2)

- (1) The Offeror's proposed level of performance as guaranteed equals or exceeds the Plan's Service Level Standard contained in the RFP; and
- (2) The Offeror's proposed Credit Amount is greater than fifty percent (**50%**) but less than one hundred percent (**100%**) of the standard performance credit amount stated in the RFP.

e. POOR (1)

- (1) The Offeror's proposed level of performance as guaranteed is below the Plan's Service Level Standard contained in the RFP regardless of the Credit Amount proposed by the Offeror; or
- (2) The Offeror's proposed Credit Amount is fifty percent (**50%**) or less of the standard performance credit amount stated in the RFP regardless of the level of performance as guaranteed by the Offeror.

3. Performance Guarantee Standard Credit Amounts

The standard performance credit amount for each Service Level Standard is \$500 with the following exceptions:

- a. **Implementation and Start-Up (Section IV.B.2.b.(2))**: The standard performance credit amount is fifty percent (**50%**) of Monthly Administrative Fees (minimum mandatory requirement); and
- b. **Call Center (Section IV.B.3.b.(6))**: The standard performance credit amount is **\$5,000** for Call Center Availability; **\$5,000** for Call Center Telephone Response Time; **\$5,000** for Telephone Abandonment Rate; and **\$5,000** for Telephone Blockage Rate.
- c. **Network Access (Section IV.B.9.b.(5))**: The standard performance credit amount is **\$5,000** each for urban, suburban and rural access.

4. Allocation of Technical Score Points

The scores referenced above shall be applied to weighted point values associated with each evaluated requirement. The relative point value for each section of the Technical Proposal is as follows:

a. Plan Management - 10% of Total Technical Score

Offerors will be rated on various components of Plan management including the Offeror's qualifications, executive summary, account team, and Plan implementation plan.

b. Program Delivery and Support Services - 75% of Total Technical Score

Offerors will be rated on the various components of Program Services delivery including customer service, enrollee communication support, enrollment management, reporting, consulting services, Transition Plan, network management, including the proposed Laser Vision Correction Network and claims processing.

c. Products and Programs - 15% of Total Technical Score

Offerors will be rated on the Offeror's ability to develop, administer, and maintain services that include frame and lens selection, contact lens selection, Occupational Vision Program, Medical Exception Program, and Upgrade Program.

5. Technical Scoring

The Offerors' Technical Proposal will be evaluated independently by multiple evaluators based on pre-established Evaluation Criteria. Individual scores will then be averaged. The average score for each response shall be applied to the points associated with each evaluated requirement such that an average score of "Excellent" for each evaluated requirement will result in a maximum of 1,000 points. The points associated with each evaluated requirement are totaled for each Offeror and then be converted to a score such that the Offeror with the highest point total will receive a Technical Score of 200; the highest Technical Score. As calculated by the Vision Services Procurement Manager, all other evaluated Technical Proposals will be awarded a Technical Score at a reduced level calculated in accordance with a pre-determined formula as set forth in the Evaluation Criteria. That formula calculates the Technical Score of the evaluated Technical Proposal based on the proportion of the point total of the evaluated Technical Proposal to the point total of the Technical Proposal with the highest point total. The awarded Technical Scores are calculated to the hundredth decimal place.

B. Cost Evaluation - 80% of Overall Score

The Cost Proposal of those Offerors that meet the Minimum Mandatory Requirements will be evaluated by the Department, and others deemed appropriately by the Department. The Department will calculate a Cost Score for each Offeror based on the evaluated Total Plan Cost.

The Total Plan Cost is the sum of the Total Projected Claims Cost, the Total Projected Administrative Cost and the Total Projected Communications Cost for the five-year period, 1/1/2012 through 12/31/2016.

1. **Total Projected Claims Cost:** The Total Projected Claims Cost shall be calculated by the Department by multiplying the Offeror's quoted Participating Provider and Laser Vision Correction Surgery scheduled fees for each type of service, as presented by the Offeror in Exhibit IV.A, by the normalized utilization projected by the Department for Participating Providers and Laser Vision Correction Providers over the five-year period, 1/1/2012 through 12/31/2016.
2. **Total Projected Administrative Costs:** Total Projected Administrative Costs shall be calculated by the Department by multiplying the Monthly Administrative Fees quoted by the Offeror in Exhibit IV.B by the projected Plan enrollment.
3. **Total Projected Communications Costs:** The Total Projected Communications Cost shall represent the aggregate 2012 amount quoted by the Offeror in Exhibit IV.B.
4. The Department reserves the right to analyze and/or normalize: The Department reserves the right to make other cost calculation adjustments as necessary to determine the evaluated cost of Offerors' Proposals. Any such adjustments shall be made with the intent to evaluate Offerors' Proposals on a fair and consistent basis, without prejudice. The normalization adjustments may include, but are not limited to the Offeror's projected utilization, administrative and communication costs.
5. The Department shall calculate each Offeror's Total Plan Cost as the sum of 1. through 3. above. That Offeror's Proposal with the lowest calculated Total Plan Cost will be awarded a Cost Score of eight hundred (800). The Cost Score awarded to all other Offerors shall be based on a pre-established formula such that the Cost Scores awarded will be proportional to the evaluated costs. The Cost Scores shall be calculated to the hundredth decimal place.

C. Total Combined Score of Technical and Cost

The results of the Technical and Cost evaluations as set forth in A and B above will be combined to calculate the Offeror's Total Combined Score.

D. Best Value Determination

The Department shall select, and enter into negotiations for the purpose of executing a contract, that responsive and responsible Offeror with the highest Total Combined Score. If an Offeror's Total Combined Score is equal to or less than 1 point below the highest Total Combined Score, that Offeror's Proposal will be determined to be substantially equivalent to the Offeror holding the highest Total Combined Score. Among any Offeror Proposals deemed substantially equivalent, the Department shall select the Offeror that has the highest Cost Score calculated pursuant to Section VI.B.5. of this RFP to enter into negotiations for the purpose of executing a contract.

Please note that the terms in Appendix A, Standard Clauses for All New York State Contracts, Appendix B, Standard Clauses for all Department Contracts, and Appendix C, Third Party Connection and Data Exchange Agreement, are ***not*** subject to negotiation.

If the Department determines that contract negotiations between the Department and the selected Offeror are unsuccessful, the Department may invite the Offeror with the next highest Total Combined Score to enter into negotiations for purposes of executing a contract. Prior to negotiating with the Offeror with the next highest Total Combined Score, the Department will notify the Offeror originally selected and provide the date when negotiations shall cease should an agreement not be reached. Scores will not be recalculated for any remaining Offerors should contract negotiations between the Department and the selected Offeror are unsuccessful because of material differences in key provision(s).