
SECTION IV: TECHNICAL SECTION

This section of the IFB sets forth the Contractor's responsibilities in regard to the content of the Technical Section of the Offeror's Proposal and the products and services which are the subject of this IFB. The Offeror must provide responses in the Technical Proposal that confirm the Offeror will satisfy all of the "Contractor's Responsibilities" requirements set forth in Section IV.A.2 of the IFB. Failure of the Offeror to satisfy all requirements set forth in this Section IV of the IFB may result in a determination by the Department that the Offeror is non-responsive.

Note: Numbers, data, or statistics which may appear in the Exhibits referenced throughout this IFB are for informational purposes only and should not be used or viewed by prospective Offerors as guarantees or representations of any levels of future performance or participation.

A. Content of Bid: The Technical Section of the Offeror's Proposal shall include separate responses to each of the following requirements pertaining to substance and general content:

- 1. Executive Summary:** The Offeror must submit an Executive Summary that describes its capacity to administer the Employee Benefit Card Program Services. The Executive Summary must include:
 - a.** A description demonstrating its understanding of the requirements presented in the IFB, and how the Offeror can assist the Department in accomplishing its objectives;
 - b.** The name and address of the Offeror's main and branch offices, the location of the Offeror's proposed production site(s) for Program Services described in Section IV.2, and the name of the senior officer who will be responsible for this account; and
 - c.** A statement explaining the Offeror's and the Offeror's Key Subcontractor's previous experience producing EBC's of other state governments or large public entities or any other organizations with annual EBC volume of 50,000 or more, Detail how this experience qualifies the Offeror and, if applicable, the experience of its key Subcontractors to undertake the functions and activities required by this IFB.

-
- 2. Contractor's Responsibilities:** The Offeror must confirm that it will meet the following Contractor Responsibilities if selected to enter into an Agreement with the Offeror as a result of this IFB.
- a. Materials, Processing and Prototype Specifications:** The Contractor shall comply with the following Materials Processing and Prototype Specifications,:
- i.** The materials used in the production of EBCs, Card Carriers and Envelopes shall meet the materials specifications set forth in **Exhibit II.E** of this IFB.
 - ii.** The Contractor may utilize any combination of offset, digital or flexographic methods for producing a durable EBC that meets the specifications of this IFB.
 - iii.** The layout of the EBC, Card Carrier and Envelope shall meet the Prototype and Information Specifications set forth in **Exhibit II.E**. A sample of the current EBC, Card Carrier, and Envelope is set forth in **Exhibit II.A**.
 - iv.** A prototype of the Contractor's final EBC, Card Carrier and Envelope shall be submitted to the Department for approval during the Implementation Period. The Department shall, in its sole discretion, determine if the Contractor's EBC, Card Carrier, and Envelope meet the specifications set forth in **Exhibit II.E**.
 - v.** The Contractor shall be able to customize, modify, and produce new or modified EBC layouts and Card Carrier contents within sixty (60) days' notice at the written direction of the Department.
 - vi.** The Contractor's production process shall display the Enrollee's name and up to five (5) Dependents' names on the EBC and attach up to four (4) EBCs with the same Enrollee identification number onto a single Card Carrier addressed to the Enrollee or Dependent, as applicable and insert it in a single Envelope that meets the specifications set forth in **Exhibit II.E** of this IFB. The Contractor must be capable of producing and distributing EBCs in all possible production scenarios as set forth in **Exhibit II.G**.

- vii.** The Contractor shall pre-sort and mail the Envelopes containing the EBC(s) and Cards Carriers through the U.S. Postal Service (USPS), first class to all Enrollees and Dependents who reside in the United States and Canada in a manner that ensures compliance with HIPAA requirements and with USPS technology that results in maximum postal discounts.
- viii.** The Contractor shall ensure that: 1) no Defective EBCs, Card Carriers or Envelopes are mailed; 2) all EBCs are mailed to the correct Cardholder(s); and 3) the Department is not invoiced for any Defective EBCs, Card Carriers or Envelopes or any associated postage charges.
- ix.** The Contractor shall ensure that all Program materials including blank EBCs, Card Carriers and/or Envelopes that contain the NYSHIP or NYS or logo pre-printed Program information are securely maintained and properly accounted for by the Contractor.
- x.** In the event of unforeseen emergency circumstances which affect the Contractor's ability to adhere to its Production Cycle, the Contractor shall immediately notify the Department and provide the following:

 - 1)** The circumstance(s) precluding production/delivery.
 - 2)** A statement of whether or not succeeding production/deliveries will be affected and when the situation will be corrected.
 - 3)** The Contractor shall remain responsible for producing the associated EBCs and reports prior to the following week's Production Cycle.
- b. Weekly card production and distribution for new, duplicate and replacement EBCs:**

 - i.** The Contractor shall produce and distribute EBCs reflecting the data contained in the Department's weekly EBC Data File that comply with EBC specifications, the

Production Cycle and the performance standards set forth in this Section IV of the IFB.

- ii. The Contractor shall produce one EBC for Enrollees with individual coverage and two EBCs for Enrollees with family coverage who have five (5) or fewer Dependents. The Contractor shall produce additional EBCs for Enrollees having six (6) or more Dependents. Each EBC shall list up to six (6) covered names.
- iii. The Department anticipates placing weekly card production orders, but may request EBCs on a more frequent basis over the term of the Agreement. During each weekly Production Cycle, the Contractor shall complete all Program Services associated with the production and distribution of EBCs.
- iv. The Department will transmit to the Contractor a weekly computerized EBC Data File via secure transfer containing detailed benefit card data elements shown in **Exhibit II.B**.
- c. **Management reports:** The Contractor shall create and electronically distribute to the Department in a HIPAA-compliant manner, accurate weekly Card Detail and Card Summary Reports, comparable to **Exhibit II.C** and **Exhibit II.D**, within two (2) Business Days from the completion of each Production Cycle. The Department reserves the right to request reports be sent in paper or an electronic format that is searchable, or both.
- d. **Performance Guarantees and Credits:** The Contractor shall contractually agree to the following performance guarantees and the corresponding credit amounts for failure to meet the guarantees.

 - i. **Implementation and start-up Guarantee and Credit Amount:**

 - a. ***Guarantee:*** The Contractor guarantees that all implementation and start-up activities will be completed the first day of the month following a sixty (60) day Implementation Period after the Office of the State Comptroller (OSC)

approves the Agreement so that the Contractor can assume full operational responsibility for the services required by this IFB for the production and distribution of EBCs, Card Carriers and Envelopes and production of Card Detail Reports and Summary Reports.

- b. **Credit Amount:** If the Contractor fails to complete all implementation and start-up activities within the Implementation Period, the Contractor shall credit against the Program's fees one thousand dollars (\$1,000) per Day that the Contractor fails to assume full operational responsibility to the satisfaction of the Department.

ii. **Production Cycle Guarantee and Credit Amount:**

- a. **Guarantee.** The Contractor guarantees that each weekly Production Cycle shall be completed within the following time frames:
- 1) For orders $\leq 10,000$ cards, within three (3) Business Days from the date that the EBC Data File is made available by the Department;
 - 2) For orders $> 10,000$ but $\leq 40,000$ cards, within four (4) Business Days from the date that the EBC Data File is made available by the Department;
and
 - 3) For orders $> 40,000$ cards, within the number of Business Days equal to the number of EBCs requested in the EBC Data File divided by 10,000, and then rounded up to the next whole number.
- b. **Credit Amount:** The Contractor shall credit against the Program's fees \$250 per Day, for each weekly Production Cycle that is not completed within the required timeframe as set forth in Section IV.A 2.a.vii of this IFB.

iii. **Report Guarantee and Credit Amount:**

-
- a. *Guarantee:*** The Contractor guarantees that accurate Card Detail and Card Summary Reports shall be delivered to the Department within two (2) Business Days from the completion of each Production Cycle.
- b. *Credit Amount:*** The Contractor's shall credit against the Program's fees \$250 per Day, for each management report not received within two (2) Business Days from the completion of each Production Cycle.
- e. Re-issuance of EBCs:** Should the Department require a complete or partial re-issuance of EBCs during the term of the Agreement, the Contractor shall agree to produce and distribute the EBCs and management reports. Routine weekly card Production Cycles will continue during the Production Cycle(s) for a complete or partial re-issuance. The Department does not anticipate a complete re-issuance of EBCs to all Enrollees will occur during the term of the Agreement.
- f. Administration:** The Contractor shall maintain an organization of sufficient size with staff that possess the necessary skills and experience to administer, manage and oversee all aspects of the Agreement resultant from this IFB during implementation, operation and transition. Specifically the Contractor shall:
- i.** Establish and/or dedicate a team of qualified and experienced employees to the Department and maintain and adjust staffing patterns at appropriate levels to provide Program services as required by the Department;
 - ii.** Provide timely responses (within one [1] to two [2] Business Days) to questions and requests posed by the Department.
 - iii.** Notify the Department in writing of changes in key personnel, key Subcontractor(s), or production facility locations specifically identified in its Bid. Substituted personnel, key Subcontractor(s) or production locations shall have comparable or better qualifications or facilities to those outlined in the Bid.

-
- g. Billing Requirements:** The Contractor shall bill the Department and will be paid for the production and distribution of EBCs and associated Card Carriers and Envelopes in accordance with the requirements set forth in this IFB, and according to the Program Services fees quoted in the Contractor's completed **Exhibit II.F**. In addition to the quoted Program Services fees, the Offeror shall bill the Department and be reimbursed for actual USPS costs incurred in accordance with Section IV.A.2.g.ii.
- i.** The Contractor shall bill the Department and be paid for the production of: 1) EBCs, Card Carriers and Envelopes that meet the Program specifications set forth in this IFB; and 2) only those Defective EBCs, and Card Carriers produced by the Contractor that the Department directly caused to be defective. An EBC, Card Carrier and/or Envelope is defective if it does not meet the Program specifications set forth in the **Exhibit II.E** of the Agreement resultant from this IFB, or, if after having been mailed, it is determined by the Department that the EBC(s) was not properly matched with its associated Card Carrier. An EBC and/or Card Carrier is also defective if the Cardholder information contained in the EBC Data File provided by the Department is not properly displayed on the EBC and/or Card Carrier.
- ii.** The Contractor shall bill the Department and be reimbursed for the actual USPS charges, using the best U.S. Postal discounts available to the Program for mailing: 1) EBCs and/or Card Carriers and Envelopes that meet the Program specifications set forth in this IFB; and 2) Defective EBCs where the Department directly caused the EBCs and/or Card Carriers to be defective. The Contractor shall not bill or be reimbursed by the Department for any USPS charges the Contractor incurs to mail Defective EBCs that were not directly caused to be defective by the Department. The Contractor shall not bill and will not be reimbursed for any excess USPS charges incurred as a result of the Contractor's failure to qualify for the best U.S. Postal Service discounts available.
- iii.** The Contractor will not be reimbursed for any postage charges associated with normal day-to-day functions undertaken by the Contractor to complete Program

Services. Such postage charges are considered overhead expenses and, as such, included as a component of the Contractor's per EBC, Card Carrier and Envelope fees.

- iv.** The Contractor shall invoice the Department, monthly in arrears, for all Program Services rendered during the preceding month, together with full supporting detail(s) to the Department's reasonable satisfaction and in a format required by the Department. Such invoices shall include, at a minimum, the quantity, unit price, and total amount due for EBCs, Card Carriers and Envelopes, as well as USPS charges. Accurate invoices shall be submitted to the Department for review, approval and payment by the 15th of every month. Upon review of the submitted invoices and verification of the charges, the Department will make best efforts to process all approved invoices within thirty (30) Days of their receipt; however, failure to make payment within said timeframe shall not be considered a breach of contract. Timeliness of payment and any interest to be paid to the Contractor for late payment shall be governed by Article XI-A of the State Finance Law.
- v.** The State of New York is not liable for any cost incurred by the Contractor in preparation for or prior to the approval of an executed contract by the Comptroller of the State of New York.