
SECTION IV: TECHNICAL PROPOSAL REQUIREMENTS

The Department seeks through this RFP process to award a Contract (Agreement) to a qualified Offeror to provide Patient Protection and Affordable Care Act (PPACA) Compliance Services. The purpose of this section of this RFP is to set forth the programmatic duties and responsibilities required of the Offeror by the Department and to obtain required submissions concerning those duties and responsibilities. The Offeror's Technical Proposal must contain responses to all of the required submissions from the Offeror in the format requested. Each Offeror may submit only one Technical Proposal. Each Offeror's Technical Proposal will be evaluated based on each Offeror's responses to the required submissions contained in this Section IV of this RFP.

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

The Department will accept Proposals only from qualified Offerors and will consider for evaluation and selection purposes only those Proposals that it determines meet the Minimum Mandatory Requirements in Section III of this RFP and are responsive to the duties and responsibilities set forth in this Section IV of this RFP.

Please note that Offerors must not include any cost information in the Technical Proposal, including exhibits or attachments. Proposed Performance guarantee amounts including fee amounts to be put at risk are not considered to be cost information and therefore should be included in the Technical Proposal.

A. Program Administration

1. Executive Summary

a. Required Submission

The Offeror must submit an Executive Summary outlining its overall program and its capacity to provide PPACA Compliance Services as described in this RFP. The Executive Summary must include:

- (1) The name and address of the Offeror's main and branch offices and the name of the senior officer who will be responsible for this account;

- (2) A description of the Offeror's understanding of the requirements presented in this RFP and how the Offeror can assist the Department in accomplishing its objectives;
- (3) A statement explaining the Offeror's, and the Offeror's Key Subcontractor's, previous experience providing PPACA Compliance Services to other state governments, large public entities or any other organization. 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 RFP;
- (4) Specify which function(s), if any, will be subcontracted.

2. Qualifications

The Offeror must have the experience, reliability, and integrity to administer PPACA Compliance Services as required by this RFP.

a. Required Submission

The Offeror must demonstrate its acceptance of the duties and responsibilities set forth in this RFP and ensure the State's compliance with the specified requirements of PPACA. The Offeror must demonstrate that it has the financial and operational wherewithal to administer the Services as required by this RFP. Offerors should provide detailed responses to the following:

- (1) What experience does the Offeror have in implementing, managing, and providing PPACA Compliance Services to other large employers? Include the timetable for implementation of each referenced client's PPACA Compliance Services, adherence to the schedule (e.g. was it implemented on time?), any issues that arose during implementation or ongoing operation, and an explanation of how those issues were resolved.
- (2) Explain how the Offeror's account team will be prepared to provide these Services?
- (3) What internal systems or procedures will the Offeror have in place to provide the outlined requirements of the PPACA Compliance Services RFP?

B. Project Services

The Offeror must demonstrate its capacity to provide the required Project Services described in this Section IV of this RFP.

1. Account Team

The Department expects the successful Offeror to have in place a proactive, experienced program manager and an experienced team who have the authority to coordinate the appropriate resources to implement and administer the Services to be provided.

a. Duties and Responsibilities

- (1) The Offeror must maintain, for the entire term of the Agreement, an organization of sufficient size with the skills and experience necessary to administer, manage, and oversee all aspects of the PPACA Compliance Services during implementation, operation, and transition;
- (2) The Contractor must propose a manager with the ability to address direct inquiries by the Department within one (1) Business Day, for the entire term of the Agreement. It is preferred that the Program manager possess at least 2 two years of experience serving as a manager. The Contractor must advise the Department immediately if replacement of the manager is contemplated during the term of the Agreement;
- (3) The Offeror's assigned account team must be experienced, accessible and sufficiently staffed to provide timely responses (1 (one) Business Day) to concerns and inquiries posed by the Department;
- (4) The Contractor must ensure that there is a process in place for the account team to gain immediate access to appropriate corporate resources and senior management necessary to meet all requirements and to address any issues that may arise during the performance of the Agreement;
- (5) The Offeror's assigned account team must immediately notify the Department of actual or anticipated events impacting PPACA Compliance Services such as but not limited to, legislation, litigation, and operational issues;

- (6) The Offeror's assigned account team must ensure that the Department is compliant with all relevant PPACA legislative and statutory requirements. If the Offeror is unable to comply with any legislative or statutory requirements, the Department must be notified in writing immediately; and

b. Required Submission

- (1) Provide an organizational chart and narrative description illustrating how the Offeror proposes to administer, manage, and oversee all aspects of the PPACA Compliance Services to be provided. Include the names, qualifications, and job descriptions of the key individuals proposed to comprise the implementation, operational, and management team for the Offeror and its Key Subcontractor(s) (if applicable). Complete **Exhibit I.B**, Biographical Sketch Form, of this RFP for all key members of the proposed account management team. Where key individuals are not named, include qualifications of the individuals that you would seek to fill the positions. Include the following:
- (a) Reporting relationships and the responsibilities of each key position of the account management team; and how the team will interact with other business units or functional areas within the Offeror's organization. The Offeror must include the percentage of time (by position) dedicated to the Services and reporting relationships. Describe how the account management team interfaces with senior management and ultimate decision makers within the Offeror's organization;
- (2) Describe the experience of the individual who will assume the role of program manager for the PPACA Compliance Services. Include a description of the individual's experience with clients whose needs were of similar size and scope as those of the Department.
- (3) Confirm that the account team will be readily accessible. Describe where the account team will be based.
- (a) Describe how the Offeror proposes to ensure that timely responses (one (1) Business Day) are provided to concerns and inquiries.
 - (b) Describe the protocols that will be put into place to ensure the Department will be kept abreast of actual or anticipated events impacting costs and/or delivery of Services to the Department. Provide a representative scenario.

- (4) Describe the corporate resources that will be available to the account team to ensure compliance with all legislative and statutory requirements. Confirm the Offeror's commitment to notify the Department immediately if the Offeror were to be unable to comply with any legislative or statutory requirements and to work with the Department to take the appropriate remedial action to come into compliance as soon as practicable.

2. Workforce Analytics

a. Duties and Responsibilities

The Offeror must confirm that it will meet the following Duties and Responsibilities if selected to enter an agreement with the Department as a result of this RFP:

- (1) Using the guidelines of Section 4980H of the Internal Revenue Code (IRC) and payroll records provided by the State, the Offeror must identify the full-time status of all employees for calendar year 2018 and all years covered under the Agreement resulting from this RFP;
- (2) Provide reporting to the State that clearly documents and illustrates all employees' full-time status under Section 4980H of the IRC for calendar year 2018 and all years covered under the Agreement resulting from this RFP. Such reporting shall include, but not be limited to, the beginning and end dates of all employees' measurement periods, administrative periods, and required stability periods. Such reporting must occur on a monthly basis;
- (3) Using employee health insurance eligibility information provided by the State, the Offeror must provide reporting to the State that clearly documents and illustrates any and all employees deemed to be full-time employees for purposes of PPACA, but are not under an offer of health insurance coverage. Such reporting must be provided on a monthly basis and must explicitly state the percentage of full-time state employees under an offer of coverage;
- (4) Establish a secure connection with appropriate Department Information Technology (IT) systems to facilitate the required exchange of information between the Department and the Offeror no later than December 31, 2018. Contractor's ability to meet this guarantee

is contingent upon the State's ability to submit complete initial data files to the Contractor, for the purposes of vetting data transfer setup;

- (5) Providing a file platform that is capable of securely receiving and loading each file sent by the Department. The Contractor shall have the files (that meet the quality standards for loading) successfully loaded within one (1) week of receipt from the Department. The Contractor must have within the one (1) week reviewed the file for data errors and content to accurately update employee records to determine Full-Time status. The Department will transmit files to the Contractor on a monthly basis. The Contractor must also have the capability to receive any special update files from the Department containing additions and deletions, including emergency updates, if required;
- (6) Initial Testing of File Transmission:
 - (a) Performing an initial load of each employee record file to commence upon receipt of a test file from the Department during implementation. The files include Payroll File, Enrollment File, Credited Leave File, Offer of Coverage File, and Employment Status File; file specifications are provided in Exhibit II.A-E;
 - (b) Testing to determine if the employee record files loaded correctly and interfaces with the Contractor's file platform. The selected Contractor shall submit enrollment test files to the Department for review, provide the Department with secure, online access required to ensure accurate loading of Program data, and promptly correct any identified issues to the satisfaction of the Department;
- (7) Upon termination of the Agreement, the Offeror must commit to fully cooperate with the successor contractor to ensure the timely, smooth transfer of information necessary to administer the services under any subsequent Agreement. This will include, but not limited to, any information applicable to Workforce Analytics under this Agreement;
- (8) **Data Management:** The Program's service level standard requires that one hundred percent (100%) of all files that meet the quality standards for loading must be loaded into the Offeror's database and reviewed within one (1) week of release by the Department; and

- (9) ***Workforce Analytics Reporting:*** The Plan's service level standard requires that accurate reports as specified in Section IV.B.2.a.(2)-(3) of this RFP, be delivered to the Department no later than two (2) weeks from the day the Offeror successfully loads the relevant file provided by the Department, inclusive of the date of receipt.

b. Required Submission

- (1) Provide a detailed description of the Offeror's plan to determine the full-time status of all employees for calendar year 2018 and all years covered under the agreement resulting from this RFP;
- (2) Provide a detailed outline of the Offeror's plan to establish a secure connection with IT during implementation. The outlines should include roles, responsibilities, timelines, testing dates and objectives, as well as areas where complications can be expected.
- (3) Provide sample reports to track employees' full-time employment status. Such reporting shall include, but not be limited to, the beginning and end dates of all employees' measurement periods, administrative periods, and required stability periods;
- (4) Provide sample reports to identify and track employees not currently under an offer of coverage;
- (5) Provide a sample report to identify the State's compliance with the PPACA employer shared responsibility provisions to provide an offer of health insurance coverage to at least ninety-five percent (95%) of NYS' full-time employees;
- (6) Describe the Offeror's proposed testing plan to ensure that the initial files sent by the Department are loaded accurately to the Offeror's system;
- (7) Describe the Offeror's system capabilities for retrieving, reviewing, and maintaining employment information within one (1) week of its release by the Department as well as:
 - (a) How the Offeror's system will maintain a history of employment data and how long employment history will be kept online. Indicate whether or not there will be a limit as to the quantity of historic data that can be kept online.

(b) How the Offeror's system will handle retroactive changes and corrections to employment data; and

(8) Confirm upon termination of the Agreement, the Offeror agrees to fully cooperate with the successor contractor to ensure the timely, smooth transfer of information necessary to administer the services under any subsequent Agreement. This will include, but not limited to, any information applicable to Workforce Analytics for this Agreement.

(9) **Data Management Performance Guarantee:** The Program's service level standard requires that one hundred percent (100%) of all Program files that meet the quality standards for loading be loaded into the Offeror's database and reviewed for errors within one (1) week of release by the Department. The Offeror shall propose the forfeiture of a specific dollar amount of the monthly Workforce Analytics Fee for failure to meet this level of standard.

The Standard Credit Amount for each Calendar Day, or portion thereof, beyond one (1) week from the day the Department releases Program files to the Offeror and one hundred percent (100%) of those files that meet the quality standards for loading are not loaded into the Offeror's database and reviewed is \$500. However, Offerors may propose higher or lower amounts.

"The Offeror's quoted amount to be credited against the monthly Workforce Analytics Fee for each Calendar Day, or portion thereof, beyond one (1) week from the day the Department releases Program files to the Offeror and one hundred percent (100%) of those files that meet the quality standards for loading are not loaded into the Offeror's database and reviewed, is \$_____."

(10) **Workforce Analytics Reporting Performance Guarantee:** The Plan's service level standard requires that, for the Workforce Analytics reports listed in Section IV.B.2.a.(2)-(3) of this RFP, accurate reports will be delivered to the Department no later than two (2) weeks from the day the Offeror successfully loads the relevant file provided by the Department. The Offeror shall propose the forfeiture of a specific dollar amount of the Offeror's monthly Workforce Analytics Fee.

The Standard Credit Amount for each management report that is not received by its respective due date is \$250 per report for each Calendar Day, and portion thereof. However, Offerors may propose higher or lower amounts.

“The Offeror’s quoted amount to be credited against the Offeror’s monthly Workforce Analytics Fee for each management report listed in Section IV.B.2a.(2)-(3) that is not received by its respective due date, is \$_____ per report for each Calendar Day, and portion thereof, between the due date and the date the accurate management report is received by the Department inclusive of the date of receipt.”

3. Statutory IRS (IRC Section 6055 and 6056) Reporting

a. Duties and Responsibilities

The Offeror shall be responsible for providing complete administration for ACA reporting requirements included in IRC Section 6055 and 6056 for calendar year 2018 and thereafter. Do not provide any cost proposal information in your response. Such responsibilities shall include the items listed below;

- (1) The Offeror shall prepare, print, and distribute Form 1095-C to all required individuals by the due date established by the federal government. Required individuals shall include State employees and other individuals enrolled in the Empire Plan through the State of New York including State retirees, COBRA enrollees, and other groups. The term “Required individuals” does not include employees or other Empire Plan enrollees of employers other than the State of New York participating in the Empire Plan. The Offeror must provide a paper copy of Form 1095-C to all required individuals. The Offeror’s proposed fee included in Section V, Cost Proposal Requirements, shall be inclusive of all costs, including postage, associated with this task;
- (2) The Offeror must complete all required Statutory IRS Reporting as specified in Section IV.B.3.a of this RFP; this includes reporting for the final 2022 tax year under the Agreement;
- (3) The Offeror shall prepare and transmit all required information on behalf of the State to the federal government by the required due date. This information shall include Form 1094-C and required data from all distributed copies of Form 1095-C to required individuals;
- (4) The Offeror must be able to incorporate into the Form 1094-C filing to the IRS counts of Form 1095-Cs provided to State employees at Cornell University, who independently of

this RFP determines its Full-Time population and provides Form 1095-C to this population. Form 1094-C will be filed under one Employer Identification Number (EIN).

- (5) At the request of the State, the Offeror must agree to provide corrected copies of Form 1095-C to required individuals. The fee for each corrected Form 1095-C provided to individuals will be equal to the Statutory IRS Reporting Fee proposed by the Offeror in Exhibit III.B of this RFP for the applicable tax year. If the need to send corrected forms stems from an error made by the Offeror, no additional fee shall be charged for the production, printing, and distribution of such forms;
- (6) The Offeror must report all errors identified by the IRS to the State. At the request of the State, the Offeror must agree to correct this information and resubmit it to the IRS. The fee for submitting corrected information to the IRS will be equal to the Statutory IRS Reporting Fee proposed by the Offeror in Exhibit III.B of this RFP for the applicable tax year. If the need to send corrected information to the IRS stems from an error made by the Offeror, no additional fee shall be charged for the resubmission of such information;
- (7) The Offeror must provide access to an online system that will allow the State to access, reprint, and distribute copies of Form 1095-C. Such access shall be at no additional cost to the State; and
- (8) ***Statutory IRS Reporting:*** The Offeror must reimburse the Department for any and all federal reporting penalties that are incurred solely due to actions or inactions of the Offeror at a rate no less than 100% of the amount assessed against the Department under Sections 6055 and 6056 of the Internal Revenue Code (IRC). The Department will allow the Offeror to participate to participate in any negotiations with the Internal Revenue Service with respect to such penalties.

b. Required Submission

- (1) Describe the Offeror's process for preparing, printing, and distributing Form 1095-C to all required individuals by the due date established by the federal government that is HIPAA compliant;
- (2) Confirm all Statutory IRS Reporting as specified in Section IV.B.3.a of this RFP, including reporting for the final 2022 tax year under the Agreement will be completed;

- (3) Describe the Offeror's process for transmitting all required information, including Form 1094-C, to the IRS by the due date established by the federal government using the IRS' ACA Information Return system, also known as AIR that is HIPAA compliant;
- (4) Confirm the Offeror will include Cornell University's Form 1095-Cs and population data in the filing of Form 1094-C to the IRS; filing will occur under one EIN. Cornell University will determine their Full-Time population and distribute Form 1095-C to their population independently of this contract;
- (5) Describe the process by which the Offeror reports all errors identified by the IRS to the State, as well as the process by which these errors are corrected and resubmitted;
- (6) Describe the capabilities of the online system that will allow the Department to access, reprint, and distribute copies of form 1095-C to employees of the State; and
- (7) **Statutory IRS Reporting Performance Guarantee.** The Offeror must guarantee to fulfill all required federal reporting under Sections 6055 and 6056 of the Internal Revenue Code, as listed in Section IV.B.3.a. All 1095-Cs will be submitted timely and accurately to all required individuals, and 1094-C will be submitted timely and accurately to the Internal Revenue Service. The Offeror shall be liable to reimburse the State for all federal penalties incurred due to the Offerors' failure to meet reporting deadlines under Sections 6055 and 6056 of the Internal Revenue Code (IRC). The Department will allow the Offeror to participate in any negotiations with the Internal Revenue Service with respect to such penalties.

Late reporting penalties will be paid to The Department, by the Offeror at a rate no less than 100% of the amount levied against The Department. However, Offeror's may propose reimbursement at a percentage greater than 100 percent (%) of the assessed federal penalty.

The Offerors' quoted percent of federal penalty paid to the Department is _____ percent (%) of all federal timely filing penalties incurred solely due to the Offerors failure to meet federal filing deadlines and standards under Sections 6055 and 6056 of the Internal Revenue Code (IRC).

4. Maintenance of Confidential Employee Records

a. Duties and Responsibilities

The Offeror shall be responsible for maintaining all Employee records in a confidential manner. Such record keeping must be HIPAA compliant and shall include, at a minimum:

- (1) Maintain confidential employee data including employment records, health insurance enrollment records, and personal information.
- (2) Using appropriate, documented safeguards to prevent the use or disclosure of employee data other than as required by this RFP. The selected Offeror shall maintain a comprehensive written information security program that includes administrative, technical, and physical safeguards appropriate to the size and complexity of the selected Offeror's operations and the nature and scope of its activities.

b. Required Submission

- (1) Describe how the Offeror's process for establishing, maintaining, and securing confidential case records that is HIPAA compliant;
- (2) Submit a copy of the Offeror's information security program that includes administrative, technical, and physical safeguards for confidential employee records. If company policy precludes distribution of the information security program, the Offeror must make arrangements for the Departments review.

C. Diversity Practices Questionnaire

Diversity practices are the efforts of contractors to include New York State-certified Minority and Women-owned Business Enterprises ("MWBEs") in their business practices. Diversity practices may include past, present, or future actions and policies, and include activities of contractors on contracts with private entities and governmental units other than the State of New York. Assessing the diversity practices of contractors enables contractors to engage in meaningful, capacity-building collaborations with MWBEs.

The Department has determined, pursuant to New York State Executive Law Article 15-A, that the assessment of the diversity practices of respondents to this procurement is practical, feasible, and appropriate. Accordingly, respondents to this procurement shall be required to include as part of

their response to this procurement, as described in this section and in Section VI, herein, Form Exhibit IV.B entitled “Diversity Practices Questionnaire.”

a. Required Submission

The Offeror must submit the Diversity Practices Questionnaire (Exhibit IV.B) signed by both the Offeror’s authorized representative and public notary. The Offeror’s completion of the questionnaire is voluntary and blank submissions will not disqualify an Offeror from the procurement.