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**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, 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 PPACA Compliance Services Procurement Manager will coordinate the arrangements with Offerors, as necessary.

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 this 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 700 points available to the Technical Proposal and 300 points available to the Cost Proposal (i.e. 70% allocated to the Technical Proposal and 30% allocated to the Cost Proposal). The Technical Proposal and Cost Proposal are evaluated separately and scored as described below.

The Department intends to select the 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 – 70% of Overall Score**

The Technical Proposal of those Offerors' that meet the Minimum Mandatory Requirements will be evaluated by the Department, and others deemed appropriate by the Department. Each Offeror's ability and willingness to deliver the 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 any clarifying questions, oral presentation(s) conducted at the request of the Department to amplify and/or clarify that Offeror's proposed Technical Proposal, and site visits requested by the Department.

**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, except 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 requirements. The response provided indicates that the Offeror will provide very high quality Program Services and is very pro-active and innovative.

**GOOD (4)**

The Offeror exceeds the requirements. The response provided indicates that the Offeror will exceed the Program's needs. The Offeror demonstrates some innovative features not shown in typical Proposals.

**MEETS CRITERIA (3)**

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

**FAIR (2)**

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

**POOR (1)**

The Offeror misinterpreted or misunderstood the requirements; or the Offeror does not answer the requirements 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 this 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 Offeror's proposed credit amount 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 Program's Service Level Standard contained in this 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 this RFP.

**b. GOOD (4)**

- (1) The Offeror's proposed level of performance as guaranteed equals the Program's Service Level Standard contained in this 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 this RFP; or
- (2) The Offeror's proposed level of performance as guaranteed exceeds the Service Level Standard contained in this 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 this RFP.

**c. MEETS CRITERIA (3)**

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

**d. FAIR (2)**

- (1) The Offeror's proposed level of performance as guaranteed equals or exceeds the Program's Service Level Standard contained in this 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 this RFP.

**e. POOR (1)**

- (1) The Offeror's proposed level of performance as guaranteed is below the Service Level Standard contained in this 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 this RFP regardless of the level of performance as guaranteed by the Offeror.

### 3. **Performance Guarantee Standard Credit Amounts**

- a. **Data Management Performance Guarantee (Section IV.B.2.b.9):** The standard performance credit amount is five-hundred dollars (\$500) per Calendar Day, or portion thereof;.
- b. **Workforce Analytics Reporting Performance Guarantee (Section IV.B.2.b.10):** The standard performance credit amount is two-hundred fifty dollars (\$250) per Calendar Day, or portion thereof; and
- c. **Statutory IRS Reporting Performance Guarantee (Section IV.B.3.b.7):** The standard performance credit is 100 percent (%) of any and all federal timely filing penalties.

### 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. **Program Administration- 15% of Total Technical Score**
  1. Executive Summary – 3%
  2. General Qualifications – 12%
- b. **Project Services – 85% of Total Technical Score**
  1. Account Team – 26%
  2. Workforce Analytics – 26%
  3. Statutory IRS Reporting – 26%
  - Maintenance of Confidential Employee Records – 7%

### 5. **Diversity Practice Questionnaire Scoring**

The New York State Diversity Practices Scoring Matrix (Exhibit IV.A) permits a maximum weight of ten percentage points (10%) to be added to the Technical Proposal, which results in 100 points that can be applied to the Offeror's evaluated Technical Proposal. The Total Diversity Score is directly proportional to the number of points that can be added to an

Offeror's Technical Proposal (e.g. a total Diversity score of 80 points equals 80 additional points on an Offeror's Technical Proposal). The scoring criteria is outlined below; for responses that fall between the outlined criteria, the evaluator will assign a score within the applicable range.

Criteria and Scoring for each Diversity Practices Question

**a. Question 1**

Yes - 5 Points will be awarded to affirmative responses that also supply the requisite evidence.

No - 0 Points will be awarded to negative responses, or responses that merely cited the officer without supply the requested evidence.

**b. Question 2**

Offerors will be scored based upon the percentage of gross revenue paid to MWBEs for the provision of goods and services for their company's clients and customers during the prior fiscal year. Offerors can only supply data from the prior fiscal year relative to MWBEs; data from other fiscal years, other business enterprises, or MWBEs not certified by the State will be disregarded. Points will be awarded based upon the following percentages:

≥ 20% - 20 points

≥ 15 - <20% - 14 points

≥ 10 - <15% - 10 points

≥ 5 - <10% - 6 points

≥ 1 - <5% - 2 points

< 1 % - 0 points

**c. Question 3**

Offerors will be scored based upon the percentage paid to MWBEs for overhead costs or non-contract related expenses during the prior fiscal year. Offerors can only supply data from the prior fiscal year relative to MWBEs; data from other fiscal years, other business enterprises, or MWBEs not certified by the State will be disregarded. Points will be awarded based upon the following percentages:

≥ 20% - 16 points

≥ 15 - <20% - 10 points

≥ 10 - <15% - 7 points

≥ 5 - <10% - 4 points

≥ 1 - <5% - 1 point

< 1% - 0 points

d. **Question 4**

Offerors will be scored on the number of MWBEs they provided industry specific technical training to, duration of training and total training hours. Training that is general and non-specific to the MWBEs' industry will not be counted.

**Robust (16 points)** – The Offeror has provided industry specific technical training to 1 or more MWBEs for 2 or more years, with 200 or more hours of training.

**Moderate (8 points)** - The Offeror has provided industry specific technical training to 1 or more MWBEs for at least 2 years, with between 100-199 hours of training.

**Minimum (4 points)** - The Offeror has provided industry specific technical training to 1 MWBE for 1 year or less, with 100 hours or less of training.

**None (0 points)** – The Offeror has not provided industry specific technical training; has provided only examples of general non-industry specific training; or claims to have provided industry specific training but has not provided substantiating documentation.

e. **Question 5**

Offerors will be scored on the number of MWBEs they are engaged in a government approved mentor protégé program with, the duration of the program, progress and impact of program, and supplying official governmental documents validating participation (the governmental entity approved program does not have to be through New York State).

**Robust (12 points)** - The Offeror is engaged in a mentor protégé program with 1 or more MWBEs for 2 or more years, and can provide evidence of substantial progress resulting from the program.

**Moderate (8 points)** - The Offeror is engaged in a mentor protégé program with 1 or more MWBEs for a duration of 1-2yrs, and can provide evidence of moderate progress resulting from the program.

**Minimum (4 points)** - The Offeror is engaged in a mentor protégé program with 1 MWBE for 1 year or less, can provide evidence of some progress resulting from the program.

**None (0 points)** – The Offeror has not engaged in a mentor protégé program; or is engaged in a mentor protégé program that is not approved by a governmental entity; or claims to be engaged in a mentor protégé program but has not provided substantiating evidence.

f. **Question 6**

Offeror will be scored on their current MWBE utilization goal for non-government procurements, level of achievement, and supporting documentation.

**Robust (20 points)** - The Offeror currently has a 10% goal and has achieved 80% of that goal.

**Moderate (12 points)** - The Offeror currently has a 7% goal and has achieved 80% of that goal.

**Minimum (6 points)** - The Offeror currently has a 3% goal and has achieved 80% of that goal.

**No (0 points)** – The Offeror has not established a goal; or claims to have established a goal but has not provided substantiating evidence.

g. **Question 7**

Offerors will be scored based upon the program and methods they developed to utilize MWBE suppliers, substantiate MWBE certification, and increase MWBE participants.

**Robust (6 points)** – The Offeror has established a program with substantial procedures for MWBE verification and outreach.

**Moderate (4 points)** - The Offeror has established a program with procedures for MWBE verification and outreach.

**Minimum (2 points)** - The Offeror has established a program with few procedures for MWBE verification and outreach.

**No (0 points)** – The Offeror has not established a program to utilize MWBE suppliers; or claims to have established a program but has not provided substantiating evidence.

h. **Question 8**

Offerors will be scored based upon their MWBE utilization plan designed to meet the Department's MWBE goal established for this procurement Section III.E.



**Robust (5 points)** – The Offeror’s utilization plan is designed to meet 100% of Department’s MWBE goal.

**Moderate (3 points)** - The Offeror’s utilization plan is designed to meet 75% of Department’s MWBE goal.

**Minimum (1 point)** - The Offeror’s utilization plan is designed to meet 50% of Department’s MWBE goal.

**No (0 points)** – The Offeror does not intend to enter into partnering or subcontracting agreements with New York State certified MWBEs; or does not provide any evidence of intent.

**6. 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 Offerors have the potential of earning an additional 100 points applied to their evaluated Technical Proposal based on their responses to the Diversity Practices Questionnaire, resulting in a maximum score of 1,100 points. The points associated with each evaluated requirement are totaled for each Offeror and will then be converted to a score such that the Offeror with the highest point total will receive a Technical Score of 700; the highest Technical Score. As calculated by the PPACA Compliance 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 - 30% of Overall Score**

The Cost Proposal of those Offerors that meet the Minimum Mandatory Requirements will be evaluated by the Department, and others as deemed appropriate by the Department. The Department will calculate a Cost Score for each Offeror based on the evaluated Total Program Cost for the five-year period, January 1, 2018 to December 31, 2022.

- 1) The evaluator will calculate the Total Program Cost for each Offeror using quoted fees from **Exhibits III.A and III.B** of the Offeror's Cost Proposal. The evaluation of Offerors' Cost Proposals shall be based on the sum of the of the Workforce Analytics Fee quoted for years one (1) through five (5) of the Contract and the Statutory IRS Reporting Fee quoted for years one (1) through five (5) of the Contract as calculated as follow:
  - a) The total evaluated Workforce Analytics Fee is determined as follows: (year one monthly fee x 12) + (year two monthly fee x 12) + (year three monthly fee x 12) + (year four monthly fee x 12) + (year five monthly fee x 12). plus
  - b) The Statutory IRS Reporting Fee will be evaluated by multiplying the proposed per-form fees by a normalized count of mailed forms as follows: (year one fee x normalized count) + (year two fee x normalized count) + (year three fee x normalized count) + (year four x normalized count) + (year five x normalized count).
2. 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 each Offerors' Cost Proposal. Any such adjustments shall be made with the intent to evaluate each Offerors' Cost Proposal on a fair and consistent basis, without prejudice. These normalization adjustments may include, but are not limited to, any unforeseen circumstances whereby the normalization of specific factors among Offerors shall result in a more accurate and fair comparison of each Offeror's Cost Proposal.
3. A Cost Score for each Offeror will be determined based on the following formula, with the lowest Total Program Cost as calculated in accordance with Section VI.C. receiving the maximum points:

$$\text{Cost Score of Evaluated Proposal} = 300 \times \frac{\text{Lowest Evaluated Total Program Cost}}{\text{Total Program Cost of Proposal being evaluated}}$$

Scores will 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 Sections VI.A and VI.B of this RFP will be added to calculate the Offeror's Total Combined Score. The Total Combined Score shall represent the Technical Score plus the Cost Score.

**D. Best Value Determination**

The Department shall select, and enter into negotiations for the purpose of executing a contract, with the responsive and responsible Offeror with the highest Total Combined Score. If an Offeror's Total Combined Score is equal to or less than one (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.3. 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, Appendix C, Third Party Connection and Data Exchange Agreement, C-1, Information Security Standards, Appendix D – Participation by Minority Group Members and Women With Respect to State Contracts: Requirements and Procedures, Appendix D-1 – Minority and Women-Owned Business Enterprises – Equal Employment Opportunity Policy Statement, and Appendix D-2 – MWBE Utilization Reporting Responsibilities under Article 15-A 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 be unsuccessful because of material differences in key provision(s).