



State of New York
Andrew M. Cuomo
Governor



New York State Department of Civil Service

REQUEST FOR PROPOSALS

ENTITLED:

**"ACTUARIAL AND BENEFITS MANAGEMENT
CONSULTING SERVICES"**

REFERENCE:

2012ABMC-1

RELEASE DATE:

April 18, 2012

PROPOSAL DUE DATE:

June 1, 2012, 3:00 p.m. ET

IMPORTANT NOTICE: A Restricted Period under the Procurement Lobbying Law is currently in effect for this Procurement and it will remain in effect until State Comptroller approval of the resultant contract. During the Restricted Period for this Procurement ALL communications must be directed, in writing, solely to the Department' procurement manager ("Designated Contact") for this RFP as listed in RFP [§2.01.1](#) and the table below and shall be in compliance with the Procurement Lobbying Law and the NYS Department of Civil Service "*Rules Governing Conduct of Competitive Procurement Process*" (refer to RFP [§2.01](#)).

NYS Department of Civil Service
Attn: ABMC Procurement Manager, Room 803
Alfred E. Smith Office Building
Albany, New York 12239
*Fax: 518-473-3354
*E-mail: 2012ABMCRFP@cs.state.ny.us

* Proposals may not be submitted by e-mail or facsimile

Patricia A. Hite
Acting Commissioner
New York State Department of Civil Service

Robert W. DuBois, CEBS
Director,
Employee Benefits Division

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SECTION 1 INTRODUCTION**§1.01 PURPOSE**

This Request for Proposals, Reference No. **2012ABMC-1**, entitled, “**Actuarial and Benefits Management Consulting Services**” (“RFP” or “Procurement”) is being issued by the New York State (“State” or “NYS”) Department of Civil Service (“Department” or “DCS”). The purpose of the RFP is to competitively secure the services of a qualified organization to provide actuarial and benefits management consulting services to the Employee Benefits Division (“EBD”) of the Department for use in the administration of the New York State Health Insurance Program (“NYSHIP”) and other benefits administered by the Department, said services collectively referred to as “Project Services.” Project Services shall mean the entire scope of actuarial and benefits management consulting services as described in [§3.01](#) of the RFP to be provided by the successful Offeror. [Note: An overview of NYSHIP and said other benefits is provided in [Appendix E](#) of the RFP entitled “[Overview of NYSHIP and Other Benefits](#)” and additional information is also available on the Department’s website at <http://www.cs.state.ny.us/employees/state/> .]

Note: A Glossary of terms used in the RFP and the resultant contract can be found at RFP [Section 7](#).

The Department seeks to contract with an actuarial and benefits management consulting firm in order to secure said Project Services. As detailed in [§3.01](#) of the RFP the Offeror selected in response to this RFP (“Contractor”) shall, under the contract resultant from this RFP (“Contract” or “Agreement”) perform the following four (4) tasks:

- **Task #1 - Premium Rate Renewals and Plan Funding Requirements:** Support the Department in premium renewal negotiations with the NYSHIP Empire Plan insurance carriers and the development of funding requirements for self funded benefits. As of the release date of this RFP, the Empire Plan’s Hospital contract; Medical contract; Managed Mental Health and Substance Abuse contract and Prescription Drug contract are written on a fully insured basis. Prospective Offerors are advised that Chapter 56 of the Laws of 2010 amended Article XI of the NYS Civil Service Law to allow the New York State employee health insurance plan the option to be self funded. Specifically, the law states that the President of the Civil Service Commission “*may provide health benefits directly to plan participants, in which case the president is hereby authorized to purchase a contract or contracts with one or more firms qualified to administer, on New York state health benefit plan’s behalf, the plan of benefits.*” To that end, Offerors are advised that the Department is in the process of securing the services of a contractor to administer the Empire Plan’s Prescription Drug Program as a self funded program, instead of as an insured program and the Contractor will be responsible for supporting the Department in the development of funding requirements for the Prescription Drug contract as a Task #1 activity. If during the term of the Agreement, one or more of the three (s) remaining insured components of the Empire Plan (i.e., the Hospital Program, the Medical Program and/or the Managed Mental Health and Substance Abuse Program) converts from an insured program to a self funded program, then the Contractor will support the Department in determining funding requirements for that/those contract(s) as a Task #1 activity.
- **Task #2 – Quarterly Analysis:** Review and comment on Empire Plan insurance carriers and the Prescription Drug contractor (collectively herein after referred to as “Benefit Provider”) quarterly projections and claim payment data for the first and fourth quarters of each calendar year. If during the term of the Agreement, one or more of the three (s) remaining insured components of the Empire Plan converts from an insured program to a self funded program, then the Contractor will review and comment on that/those

contract(s) quarterly projections and claim payment data for the first and fourth quarters of each calendar year as a Task #2 activity.

- **Task #3 - GASB 45 Valuation:** Perform actuarial valuation and produce reports in compliance with the requirements set forth by the Governmental Accounting Standards Board Statement No. **45 (“GASB 45”)** which addresses Other Postemployment Benefits (“OPEB”) by state and local governments.
- **Task #4 – Ad Hoc Consulting Services:** Provide a full range of ad hoc benefit consulting services both comprehensive and limited in scope, generalized and specialized in nature and on an exigent or less urgent basis. Historical information concerning prior actuarial and benefit management consulting services rendered by the incumbent contractor for the benefit of the Department as separate Ad Hoc Projects is contained in RFP [§3.02](#). One area of particular interest to the Department regards providing assistance to the Department in the development of procurement vehicles (e.g., requests for proposal) to secure carriers/contractor to design, develop and deliver NYSHIP benefits/services and said vehicles’ associated evaluation criteria, as well as the review of Offerors’ proposals received in response to said procurement vehicles. Such services comprise a majority of the Ad Hoc Consulting Services that have been provided by the current contractor to date and the Department expects that such services will continue to be required under the Agreement.

Contract award will be made to that eligible responsive and responsible Offeror whose Proposal is determined to provide the “best value” to NYS.

The Agreement between DCS and the Contractor shall substantially contain the terms and conditions set forth in RFP [Section 6](#); as well as the terms and conditions set forth in RFP Appendices A through D. (Note: [Appendix A](#) entitled, “[Standard Clauses for New York State Contracts](#)” is a compilation of statutory requirements applicable to all persons and entities contracting with NYS and therefore has been deemed to be non-negotiable by the Offices of the Attorney General and the State Comptroller. [Appendix B](#) entitled, “[Standard Clauses for All DCS Contracts](#)”, [Appendix C](#) entitled, “[Third Party Connection and Data Exchange Agreement](#)” and [Appendix D](#) entitled, “[Participation by Minority Group Members and Women With Respect to State Contracts: Requirements and Procedures](#)” are compilations of standard clauses for DCS contracts and they too are non-negotiable.)

Offerors are strongly encouraged to conduct a thorough review of RFP [Section 6](#); as well as the terms and conditions set forth in RFP Appendices A through D and the requirements and specifications set forth in this RFP. Offerors **must** raise any potential exceptions to the terms and conditions, specifications, and requirements during the question and answer phase of the procurement (refer to RFP [§2.01.6](#)). Offerors submitting Proposals that contain material deviations to the terms and conditions, specifications, and/or requirements set forth throughout this RFP may be disqualified. Please see RFP [§2.01.9](#) for further discussion regarding Material Deviations.

The Contract shall be subject to the approval of the NYS Attorney General’s Office (“AG”) and the NYS Office of the State Comptroller (“OSC”). **The term of the Contract shall be for the period commencing on January 1, 2013, and continuing through and including December 31, 2017** subject to the approval of the AG and OSC. The term of the Contract shall be for five years with an option to terminate at the end of the third and fourth years at the sole discretion of the Department.

The Department will only contract with a single Offeror, which will be the sole contact with regard to all provisions of the Contract. If the Offeror's Proposal includes Key Subcontractors, the Department will consider the Offeror the Prime Contractor, and the Offeror shall assume full responsibility for all aspects of the performance of Project Services. The Department reserves the right to approve (or disapprove) any or all Key Subcontractors.

§1.02 OFFEROR ELIGIBILITY

Offerors must meet all of the requirements of this [§1.02](#) of the RFP in order to be deemed eligible to respond to this RFP.

§1.02.1 Qualifications:

- (a) The Offeror, at time of Proposal submission and throughout the term of the Contract, must be authorized to conduct business in New York State, or, if the Offeror is not so authorized at time of bid submission, then the Offeror must, at time of Proposal submission, have filed an application for authority to do business in New York State with the New York State Secretary of State. Such application must be approved prior to Contract Award. (For details concerning this requirement, refer to:

http://www.dos.state.ny.us/cnsl/do_bus.html

To register with the Secretary of State, contact:

<http://www.dos.state.ny.us/corp/corpspub.html>

The Contractor shall notify the Department immediately in the event that there is any change in the above corporate status.

- (b) The Offeror must represent and warrant that, at time of Proposal submission, it has completed, obtained or performed all registrations, filings, approvals, authorizations, consents and examinations required by any governmental authority for the provision of the delivery of Project Services and agree that it will, during the term of the Contract, comply with any requirements imposed upon it by law.
- (c) The Offeror must agree that, if selected by the Department as the successful Offeror to this Procurement, the Offeror ("Contractor") shall be precluded from 1) submitting a proposal in response to; and/or 2) participating in any way in the development or consultation of any Offeror's proposal(s) in response to any procurement undertaken by the Department for which the Contractor participated, in any manner whatsoever, in the development of the services which are the subject matter of that procurement and/or the associated procurement vehicle and/or its associated evaluation criteria.
- (d) The Offeror must agree and acknowledge that:
- i. all claims, enrollment, and other data (i.e., materials) provided by the Department or the Department's agents and/or contractors is being provided to the Offeror ("Contractor") solely for the purpose of allowing the Contractor to fulfill its duties and responsibilities under the Contract;
 - ii. said materials are and remain the sole property of NYS; and
 - iii. the Offeror represents and warrants that it will not share, sell, release, or make the data available to third parties in any manner without the written consent of the Department, except as directed by a court of competent

jurisdiction, or as necessary to comply with applicable New York State or federal law.

- (e) The Offeror must represent and warrant that, if selected by the Department as the successful Offeror in this Procurement, all activities associated with Tasks 1, 2, 3 and 4 will be overseen by an individual certified as a Fellow in the Society of Actuaries (“FSA”), as applicable.

§1.02.2 Sufficiency, Capacity and Experience

- (a) The Offeror must represent and warrant that, at time of Proposal submission, it possesses adequate staffing resources, financial resources and organizational capacity to perform the type, magnitude and quality of work specified in the RFP.
- (b) The Offeror must represent and warrant that it has maintained an organization capable of performing the work specified in the RFP, in continuous operation for at least the past three (3) years and that it has provided services comparable to the Project Services outlined in the RFP continuously during said period for the benefit of, at a minimum, three (3) governmental organizations.
- (c) The Offeror must represent and warrant that, for each of the past three (3) years, the Offeror generated gross revenue in excess of \$500,000 per year from benefit consulting/outsourcing.

§1.03 TIMELINE/KEY EVENTS

The following is the estimated timetable of key events for this Procurement:

EVENT	DATE
RFP Release Date	April 18, 2012
Offeror's Affirmation of Understanding and Agreement	*
Notice of Bidding Intention Form	May 4, 2012, 5:00 p.m. ET
Deadline for Submission of Offeror Questions	May 4, 2012, 5:00 p.m. ET
Issue Date of Official Responses to Offeror Questions	May 18, 2012
Proposal Due Date and Time**	June 1, 2012, 3:00 p.m. ET
Oral Presentations & Management Interviews, if any (anticipated)	Week of June 18, 2012
Anticipated Selection Date	July 18, 2012
Contract Start Date (Scheduled)	January 1, 2013

* To be provided prior to Offerors' initial contact with the Department, but not later than upon submission of the Offeror's Proposal. The Offeror must complete and submit the Procurement Lobbying Offeror's Affirmation of Understanding & Agreement form contained in Attachment 1 – Offeror's Affirmation of Understanding SFL 139, of the RFP to the ABMC Procurement Manager per RFP [§2.01.2](#).

** **MANDATORY REQUIREMENTS**

SECTION 2 PROCUREMENT PROTOCOL AND PROCESS

This Procurement is being conducted in accordance with, and is subject to, the competitive bidding laws of the State of New York (New York State Finance Law, Article 11) and the New York State ethics laws (New York State Public Officers Law, § 73 and 74).

§2.01 RULES GOVERNING CONDUCT OF COMPETITIVE PROCUREMENT PROCESS§2.01.1 Department's Designated Contact for Inquires and Submissions

All inquires, questions, filings and submission of Proposals in regard to the RFP must be directed, in writing, by mail, facsimile or e-mail, as applicable, solely to the ABMC Procurement Manager, the Department's "Designated Contact" for this Procurement:

NYS Department of Civil Service

Attn: ABMC Procurement Manager

Alfred E. Smith Office Building

Room No. 803

Albany, New York 12239

*Fax: 518-473-3354

*E-mail: 2012ABMCRFP@cs.state.ny.us

* Proposals, and amendments thereto, shall **not** be submitted by e-mail or facsimile.

The ABMC Procurement Manager is the sole authorized contact for the Department for this RFP. From the RFP Release Date, until a determination is announced regarding the selection of a Proposal, all contacts concerning the RFP must be through the individual listed above. Any inquiries, questions, filings or submission of Proposals that are submitted to any other individual or physical address shall not be considered as official, binding or as having been received by the Department.

§2.01.2 Procurement Lobbying Limitations

a. Pursuant to State Finance Law §139-j and §139-k, this Procurement imposes certain procurement lobbying limitations. Offerors are restricted from making contacts during the Procurement's "Restricted Period" (from the issuance of the RFP until the date of the Contract's final approval by the OSC) to other than the Department's Designated Contact, unless the contact falls within certain statutory exceptions ("permissible contacts"). For purposes of this [§2.01.2](#) of the RFP, "Offeror" includes prospective Offerors prior to the due date for the submission of offers/bids (i.e., Proposals) in response to the solicitation document (i.e., "RFP" or "Procurement"). Staff is required to obtain certain information from Offerors and others whenever there is a contact about the Procurement during the Restricted Period, and is required to make a determination of the Offeror's responsibility that addresses the Offeror's compliance with the statutes' requirements. Findings of non-responsibility result in rejection for contract award, and if an entity is subject to two non-responsibility findings within four years the entity also will be determined ineligible to submit a proposal on or be awarded a contract for four years from the date of the second non-responsibility finding. The Department's Policy and procedures are attached as [Appendix F](#) entitled "[Procurement Lobbying Policy: Restrictions on Contacts during the](#)

Procurement Process” to the RFP. Further information about these requirements can be found at:

www.ogs.state.ny.us/aboutOGS/regulations/defaultAdvisoryCouncil.html.

- b. In order to ensure public confidence and integrity in the procurement process, the Department will strictly control all communications between any Offeror and participants in the evaluation process from the date the RFP is released until the Contract is approved by OSC. All contacts and inquiries concerning the Procurement must be directed solely to the attention of the ABMC Procurement Manager, the Department’s Designated Contact for this Procurement. An Offeror’s failure to comply with this requirement may result in the Offeror’s disqualification from this Procurement.

Additionally, prospective Offerors and Offerors are strictly prohibited from making any contacts or inquiries concerning the Procurement with any member, officer or employee of any NYS governmental entity other than the Department from the date the RFP is released until the Contract is approved by OSC, subject only to the specific exceptions listed below. Further, any prospective Offeror or Offeror shall not attempt to influence this Procurement in any manner that would result in a violation or an attempted violation of Public Officers Law §73(5) or §74.

- c. The following contacts are exempted from the provisions of this section:
- (1) The submission of written Proposals in response to this RFP;
 - (2) The submission of written questions as set forth in this RFP when all written questions and responses are to be distributed to all prospective Offerors who have expressed an interest in the Procurement;
 - (3) Participation in the Pre-Proposal Conference, if any, as provided for in the RFP;
 - (4) A complaint by a prospective Offeror or an Offeror regarding the failure of the ABMC Procurement Manager to respond to an authorized contact, when such complaint is made in writing to the Department’s Office of the General Counsel, provided that any such written complaint shall become a part of the procurement record;
 - (5) Communications by the selected Offeror who has been tentatively awarded a contract and is engaged in communications with the Department solely for the purpose of negotiating the terms of the agreement after having been notified of the tentative award;
 - (6) Contact by an Offeror to request a review of a proposed award when done in accordance with the procedure specified in the RFP;
 - (7) (a) Contacts by an Offeror in protests, appeals or other review proceedings (including the apparent selected Offeror and its representatives) before the Department seeking a final administrative determination, or in a subsequent judicial proceeding; or
(b) Complaints of alleged improper conduct in the Procurement when such complaints are made to the NYS Attorney General, Inspector General, District Attorney, or to a court of competent jurisdiction; or

- (c) Written protests, appeals or complaints to OSC office during the process of contract approval, where the approval of the OSC is required by law, and where such communications and any responses thereto are made in writing and shall be entered in the procurement record pursuant to State Finance Law §163.
- d. It is **Mandatory** that all prospective Offerors/offerors complete **Part 1** of **Attachment 1** entitled “**Offeror’s Affirmation of Understanding and Agreement**”, affirming their understanding of and agreement to comply with the procurement lobbying requirements set forth in State Finance Law §139-k and §139-j. A completed **Offeror’s Affirmation of Understanding and Agreement** form must be submitted to the ABMC Procurement Manager prior to a prospective Offeror making its initial contact with the Department (e.g., submission of a Notice of Bidding Intention Form, submission of questions, etc.) or concurrent with an Offeror’s submission of its Proposal, whichever should occur first.

Offerors are advised that whenever any of the Offeror’s officers, employees, agents or consultants contacts the Department, they should be prepared to provide their name, address, telephone number, place of principal employment, occupation, and whether they were retained, employed or designated, by or on behalf of the Offeror to appear before or contact the Department in regards to this Procurement. To that end and to streamline the process, Offerors are requested to complete and submit RFP **Attachment 1 – Part 2** entitled, “**Designated Offeror Contact**” for each officer, employee, agent or consultant authorized by the Offeror to appear before or contact the Department in regards to this Procurement before appearing or before or at the time such contact is initiated.

Additionally, at the time a Proposal is submitted to the Department, the Offeror is required to provide a completed “**Offeror’s Certification of Compliance Pursuant to State Finance Law §139-k(5)**” form (see **Exhibit K**) in its Administrative Proposal as stipulated in **§4.02.9** of the RFP.

§2.01.3 Submission of Errors or Omissions in this RFP Document

By participating in activities related to this Procurement, and/or by submitting a Proposal in response to this RFP prospective Offerors and Offerors agree to be bound by its terms, including, but not limited to, this process by which a prospective Offeror may submit errors or omissions for consideration. In the event that a prospective Offeror believes there is an error or omission in this RFP, the prospective Offeror may raise such issue according to the provisions set forth in **Appendix G** entitled, “**Submission of Errors or Omission**”

§2.01.4 Notice of Bidding Intention Deadline

Filing of this notice is **not** mandatory; however, to assist the Department in better managing the procurement process, prospective Offerors, whether they intend to submit a Proposal in response to the RFP or not, are requested to complete **Attachment 2** entitled, “**Notice of Bidding Intention Form**” and submit it to the ABMC Procurement Manager on or before the Notice of Bidding Intention Due Date as set forth in **§1.03** of the RFP. The completed signed form may be submitted either by hardcopy or electronically by email or facsimile, with hard copy to follow, to the address provided in RFP **§2.01.1**.

On the [Notice of Bidding Intention Form](#), New York State certified Minority- and Women-Owned Businesses (M/WBE) may request that their firm's contact information be included on a list of M/WBE firms interested in serving as a subcontractor for this Procurement. Prospective Offerors interested in obtaining a copy of said listing should make their request to the ABMC Procurement Manager at 2012ABMCRFP@cs.state.ny.us. The list will also be enclosed with DCS' Written Official Responses sent to Prospective Offerors for reference by the bidding community. A firm requesting inclusion on this list should send a copy of its NYS M/WBE certification with its completed [Notice of Bidding Intention Form](#). Nothing prohibits an M/WBE vendor from proposing as a prime contractor.

§2.01.5 (RESERVED)

§2.01.6 Submission of Questions

In the event a prospective Offeror has any substantive or procedural questions concerning the content of the RFP document, including, but not limited to, any potential exceptions to the terms and conditions, specifications, and requirements of the RFP. Such questions can be submitted, via hardcopy, facsimile and/or email, to the ABMC Procurement Manager at the addresses set forth in RFP [§2.01.1](#). The Department strongly urges prospective Offerors to submit the questions via e-mail. Each question should cite the particular RFP section, page number and paragraph number to which it refers.

Only those questions received prior to 5:00 p.m. Eastern Time (ET), on the Deadline for Submission of Offeror Questions as shown in [§1.03](#) of the RFP, will be accepted.

The Department has provided a question template form which prospective Offerors are requested to use in submitting questions regarding the RFP (see RFP [Attachment 3](#) entitled "[Question Template](#)").

§2.01.7 Official Responses to Questions

Written Official Responses to all questions accepted by DCS will be sent to those prospective Offerors that were sent a copy of the RFP, excepting those questions where the asking party claims that the question is proprietary in nature and such claim is upheld by the Department. The Department will not provide information about processes or information proprietary to any prospective Offeror, including the incumbent contractor, in its Official Responses.

§2.01.8 Submission of Proposals (MANDATORY DEADLINE)

a. Submission Requirements

The Offeror's Proposal must be organized in three (3) separate parts: Administrative Proposal; Technical Proposal, and Financial Proposal. Offerors must submit one (1) ORIGINAL separately bound hard copy of each part.

To facilitate the evaluation process, Offerors are requested to also submit:

- eleven (11) separately bound hard copies and one (1) electronic copy (CD) of the Offeror's **Technical Proposal**; and
- five (5) separately bound hard copies and one (1) electronic copy (CD) of the Offeror's **Administrative** and **Financial Proposals**.

These twenty-one (21) documents and three (3) disks are collectively hereafter referred to as "Submissions." (Note: Offerors are requested to enclose the

“Proposal - Requested Redactions” hard copy and CD requested per RFP [§2.02.8](#), in the box/envelope containing the Offeror’s Administrative Proposal.)

The ORIGINAL hard copy of each part must be marked "ORIGINAL" and contain the original signature of an official(s) authorized to bind the Offeror to its provisions on all forms submitted that require the Offeror’s signature. The remaining hard copies of each part may contain a copy of the official's signature on all forms submitted that require the Offeror’s signature and should be numbered sequentially (e.g. Copy #1, Copy #2, etc). Please note that, for each of the three (3) parts, the hard copy marked “ORIGINAL” will be deemed controlling by the Department when viewing the Proposal.

Failure to comply with the above requirements and the Formatting Requirements set forth in (b) below, may result in the Proposal being deemed non-responsive and may result in rejection of the Proposal.

Proposals should be placed and packaged together, by part, in sealed boxes/envelopes (i.e., all of the Administrative Proposals together in one box; all the Technical Proposals together in a second box and all of the Financial Proposals in a third box). Each sealed box/envelope should contain a label on the outside of the container which contains the information below:

<p>New York State Department of Civil Service Request for Proposals RFP #2012ABMC-1 entitled, “ACTUARIAL AND BENEFITS MANAGEMENT CONSULTING SERVICES”</p> <p>OFFEROR NAME OFFEROR ADDRESS</p> <p>Indicate content, as applicable: ADMINISTRATIVE, TECHNICAL or FINANCIAL PROPOSALS</p>
--

All Proposals must be mailed or hand-delivered to the ABMC Procurement Manager at the address set forth in [§2.01.1](#) of the RFP.

For those Offerors who plan to have the Proposal hand delivered to the Department, arrangements for acceptance of the package must be made in accordance with Department security procedures. To make such arrangements, the Department requests that the Offeror notify the ABMC Procurement Manager forty-eight (48) hours prior to delivery.

Offerors are solely responsible for timely delivery of their Proposal to DCS prior to the stated Proposal Due Date and Time Deadline as set forth in [§1.03](#) of the RFP. Delays in United States mail deliveries or any other means of transmittal, including couriers or agents of NYS, shall not excuse late bid submissions. If the Proposal is delivered by mail or courier, the Department recommends that it be sent "return receipt requested," so the Offeror obtains proof of timely delivery. Phone, facsimile and e-mail submission of Proposals and amendments to a Proposal will not be accepted for this RFP. Proposals accepted in response to this RFP will not be opened publicly. Any Proposal, and/or amendment to a

Proposal, received at the specified location, set forth in RFP [§2.01.1](#), after the Proposal Due Date and Time Deadline as set forth in RFP [§1.03](#), will be considered a late bid submission and shall not be deemed accepted by the Department or considered for contact award. No exceptions will be made for late submission or delays in delivery of the Proposal and /or an amendment(s) to a Proposal. A late bid submission may be returned, unopened to the sender.

The Department will accept amendments to an Offeror's Proposal if the amendment is received by the Department prior to 3:00 p.m. ET on the Proposal Due Date and Time. All amendments to an Offeror's Proposal must be submitted in writing and, if accepted by the Department, will be included as part of the Offeror's Proposal. Such amendments should be submitted in accordance with the format set forth in [§2.01.8.b](#) of the RFP

Offerors are cautioned to verify the contents of their Proposal before submission. Except for material received from an Offeror in response to a request by the Department, the Department will not accept amendments to a Proposal if such material is received after 3:00 p.m. ET on the Proposal Due Date and Time. Offerors are encouraged to complete and submit [Exhibit D](#) entitled, "[Proposal Submission Requirements Checklist](#)" in its Administrative Proposal submission, as stipulated in [§4.02.4](#) of the RFP, to facilitate verification of Proposal contents. An Offeror's request to withdraw a Proposal after the Proposal Due Date and Time may be considered at the sole discretion of the Department.

b. Formatting Requirements

The Administrative Proposal, Technical Proposal and Financial Proposal each should comply with the following formatting requirements (Failure to comply with the formatting requirements herein below may, but will not necessarily, result in the Proposal being deemed non-responsive and may, but will not necessarily, result in rejection of the Proposal):

- (1) **Binding of Proposal:** The Administrative, Technical and Financial Proposals must be separately bound. The official name of the Offeror and "Actuarial and Benefits Management Consulting Services" must appear on the outside front cover of each copy of the Offeror's Administrative, Technical and Financial Proposal. If the Proposals are submitted in loose-leaf binders, the official name(s) of the Offeror and "Actuarial and Benefits Management Consulting Services" also must appear on the spine of the binders;
- (2) **Table of Contents:** Each Proposal must include a table of contents;
- (3) **Index Tabs:** Each major section of the Proposal and each exhibit/attachment/appendix must be labeled with an index tab that completely identifies the title of the section, or exhibit, attachment or appendix as named in the table of contents;
- (4) **Pagination:** Each page of each of the three (3) parts of the Offeror's Proposal must be dated and numbered consecutively from its beginning through all appended material; and

[§2.01.9](#) Material Deviations

New York State Law prohibits NYS from awarding a contract based upon material deviations from the specifications, terms, and conditions set forth in the RFP. Consequently, each Offeror's Proposal must conform to the specifications, terms, and conditions set forth in this RFP and prospective Offerors are strongly advised to raise

issues and/or concerns relating to this procurement during the question and answer phase rather than taking exceptions within their Proposals. **Material deviations from the specifications, terms, and conditions set forth in the RFP may render the Proposal non-responsive and may result in rejection of the Proposal.**

In general, a material deviation is one that would (1) impair the interests of NYS, (ii) place the successful Offeror in a position of unfair economic advantage, (iii) place other Offerors at a competitive disadvantage, or (iv) which, if it had been included in the original RFP, could have formed a reasonable basis for an otherwise qualified Offeror to change its determination concerning the submission of a Proposal. For example, a deviation that would substantially shift liability (risk) from the Offeror to NYS or substantially shift financial responsibility from the Offeror to NYS would be considered material.

Offerors are advised that Offeror's standard, pre-printed material (including but not limited to: product literature, order forms, manufacturer's license agreements, standard contracts or other pre-printed documents), which are physically attached or summarily referenced in the Offeror's Proposal, unless specifically required by the RFP to be submitted as part of the Offeror's Proposal, will not be considered as having been submitted with or intended to be incorporated as part of the official offer contained in the Proposal, but rather will be deemed by the State to have been included by Offeror for informational or promotional purposes only.

§2.01.10 Notification of Award

A proposed award notification letter will be sent to the selected Offeror indicating a conditional award subject to successful contract negotiations. The remaining Offerors will be notified of the conditional award. No public discussion or news releases relating to the RFP the associated procurement process, including but not limited to the bid solicitation, proposal evaluation and award and contract negotiation processes or the Agreement are to be made by any Offeror or their agent without the prior approval of the Department.

§2.01.11 Debriefing

As stated in RFP [§2.01.10](#) above, proposed award notification letters will be sent to the selected and non-selected Offerors. At that time, Offerors will be advised of the opportunity to request a Debriefing and the timeframe by which such requests must be made, dependent upon the nature of the Debriefing, i.e., pre-award or post-award. Debriefings are subject to the Department's Debriefing Guidelines which are set forth in [Appendix H](#) entitled, "[NYS Department of Civil Service Debriefing Guidelines](#)".

§2.01.12 Submission of Award Protests

By participating in activities related to this Procurement, and/or by submitting a Proposal in response to the RFP, all Offerors agree to be bound by its terms including, but not limited to, the process by which an Offeror may submit protests of the selection award for consideration. In the event that an Offeror decides to protest the selection decision, the Offeror may raise such issue according to the provisions set forth in [Appendix I](#), entitled "[Submission of Award Protests](#)".

§2.01.13 Department of Civil Service Reservation of Rights

In addition to any rights articulated elsewhere in the RFP, the Department reserves the right to:

- a. Prior to the bid opening, amend the RFP. If the Department elects to amend any part of the RFP, the resultant amendment will be provided to all prospective Offerors who were sent a copy of the RFP or, if applicable, attended the Mandatory Pre-Proposal Conference;
- b. Withdraw the RFP, in whole or in part, at its sole discretion;
- c. Disqualify any Offeror whose conduct and/or Proposal fails to conform to any mandatory requirements of the RFP;
- d. During the evaluation process, seek clarifying information from an Offeror(s) for the purpose of assuring the Department's full understanding of the Offeror's responsiveness to the RFP requirements. This clarifying information, if required in writing by the Department, must be submitted by the Offeror, in accordance with formats as prescribed by the Department at the time said information is requested and, if received by the due date set forth in the Department's request for clarification, shall be included as a formal part of the Offeror's Proposal. Clarifying information, if any, whether provided orally, visually or in writing will be considered in the proposal evaluation process. Failure to provide required information by its associated due date may result in rejection of the Offeror's Proposal. Nothing in the foregoing shall mean or imply that it is obligatory upon DCS to seek or allow clarifications as provided for herein;
- e. Waive any requirements that are not material;
- f. Change any of the scheduled dates stated in the RFP;
- g. Modify, correct, and/or clarify stipulated requirements at any time during the Procurement, provided that any such modification/correction and/or clarification does not materially benefit or disadvantage any particular Offeror or materially disadvantage any non-Offeror;
- h. Eliminate any mandatory, non-material specifications that cannot be complied with by all of the prospective Offerors;
- i. Use the following in the course of evaluation and selection under the RFP: (i) Proposals; (ii) information obtained through the Department's investigation of Offeror(s), including the Offeror's qualifications, experience and ability; (iii) Offeror's financial standing; (iv) any information pertinent to the evaluation of Proposals which may be obtained or received by NYS; (v) Oral Presentations; (vi) any material or information submitted by the Offeror(s) in response to any DCS requests for clarifying information, if any; and may include (vii) Management Interviews of some or all of the members of the Offeror's proposed Project Management Team, and (viii) Site Visits (Note: Any Site Visits conducted will be used to confirm information provided by the Offeror.);
- j. For the purpose of ensuring the completeness and comparability of Proposals, analyze submissions and make adjustments or normalize submissions in the Proposal(s), including the Offeror's technical assumptions, and underlying calculations and assumptions used to support the Offeror's computation of costs, or to apply such other methods as it deems necessary to make level comparisons across Proposals and/or require correction of arithmetic or other apparent errors for the purpose of assuring a full and complete understanding of an Offeror's Proposal and/or to determine an Offeror's compliance with the requirements of the RFP;

- k. Negotiate additional terms and conditions in the Contract which are to the State's advantage and which, as determined in the sole opinion of the Department, do not substantially alter the requirements of the RFP (Note: If, however, the scope or intent of the original RFP would be substantially altered by such negotiated changes, all Offerors will be given an opportunity to modify and resubmit their Proposals based on updated RFP specifications);
- l. Set aside the original selected Offeror if it is subsequently determined by the Department that the Offeror is non-responsible or non-responsive. The Department may then invite the next highest ranked Offeror to enter into negotiations for purposes of executing an agreement;
- m. Set aside the conditional award to the selected Offeror should the Department be unsuccessful in negotiating an agreement with that Offeror within a time frame acceptable to the Department; such time frame is to be determined solely by the Department based on the best interest of the State. If the Department determines that contract negotiations between the Department and the selected Offeror are unsuccessful, the Department may then invite the Offeror with the next highest ranked Offeror to enter into negotiations for purposes of executing an agreement;
- n. Make the award under the RFP in whole or in part;
- o. Utilize any and all ideas submitted in the Proposal(s) received; and
- o. Unless otherwise specified in the solicitation, every offer is firm and not revocable for a period of 60 days from the bid opening.

§2.01.14 Limitation of Liability

The Department is not liable for any cost incurred by any Offeror prior to approval of the Contract by OSC. Additionally, no cost will be incurred by the Department for any prospective Offeror or Offeror's participation in any procurement-related activities.

The Department has taken care in preparing the data accompanying the RFP; however, the Department does not warrant the accuracy of the data. The data, including numbers and statistics, which appear in the RFP are for informational purposes only and an Offeror's reliance and use of such numbers or statistics, in preparing its Proposal, is at the Offeror's own risk. The numbers and statistics are not guarantees or representations of any levels of past or future performance or participation.

§2.02 COMPLIANCE WITH APPLICABLE RULES, LAWS, REGULATION & EXECUTIVE ORDERS

This Procurement is being conducted in accordance with, and is subject to, the competitive bidding laws of the State of New York (New York State Finance Law, Article 11) and it is governed by, at a minimum, the legal authorities referenced below. All Offerors must fully comply with the provisions set forth in [§2.02](#) of the RFP. The Department will consider for evaluation and selection purposes only those Offerors who agree to comply with these provisions and whose Administrative Proposal contains the submission required hereunder.

§2.02.1 Public Officers Law

All Offerors and Offerors' employees and agents must be aware of and comply with the requirements of the New York State Public Officers Law ("POL"), particularly POL Sections 73 and 74, as well as all other provisions of New York State law, rules and regulations, and policy establishing ethical standards for current and former NYS

employees. In signing its Proposal, each Offeror guarantees knowledge and full compliance with such provisions for purposes of the RFP and any other activities including, but not limited to, contracts, bids, offers, and negotiations. Failure to comply with these provisions may result in disqualification from the procurement process, termination, suspension or cancellation of the Contract, and criminal proceedings as may be required by law.

Per RFP [§4.02.3](#), Offerors must submit an affirmative statement as to the existence of, absence of, or potential for conflict of interest on the part of the Offeror because of prior, current, or proposed contracts, engagements, or affiliations, by submitting a completed [Exhibit C](#) entitled "[Compliance with Public Officers Law Requirements](#)" as part of the Offeror's Administrative Proposal.

§2.02.2 Omnibus Procurement Act of 1994 and its 2000 amendments

Offerors are hereby notified that, if their principal place of business is located in a foreign or domestic jurisdiction that penalizes New York State vendors, and if the goods or services they offer would be produced or performed substantially outside New York State, the Omnibus Procurement Act of 1994 and its 2000 amendments require that they be denied contracts which they otherwise could obtain.

The list of jurisdictions subject to this provision is set forth in Article 21 of [Appendix A](#).

§2.02.3 Contractor Requirements and Procedures for Business Participation Opportunities for NYS Certified Minority- and Women-Owned Business Enterprises and Equal Employment Opportunities ("EEO") for Minority Group Members and Women

New York State Law:

The State of New York and the Department actively support and encourage the participation of certified minority and women-owned business enterprises and equal employment opportunities for minorities and women on State contracts. Pursuant to New York State Executive Law Article 15-A, the Department recognizes its obligation under the law to promote opportunities for maximum feasible participation of certified minority-and women-owned business enterprises and the employment of minority group members and women in the performance of the Departments. Accordingly, it is the policy of the Department to foster and promote the participation of such individuals and business firms. By submitting a Proposal in response to this Procurement, the Offeror agrees to comply with the provisions of the RFP, including but not limited to [Appendix D](#), entitled "[Participation by Minority Group Members and Women With Respect to State Contracts: Requirements and Procedures](#)" and the requirements set forth herein.

In 2006, the State of New York commissioned a disparity study to evaluate whether minority and women-owned business enterprises had a full and fair opportunity to participate in state contracting. The findings of the study were published on April 29, 2010, under the title "The State of Minority and Women-Owned Business Enterprises: Evidence from New York" (the "Disparity Study"). The Disparity Study can be accessed at:

http://www.esd.ny.gov/MWBE/Data/NERA_NYS_Disparity_Study_Final_NEW.pdf

The report found evidence of statistically significant disparities between the level of participation of minority-and women-owned business enterprises in state procurement contracting versus the number of minority-and women-owned business enterprises that were ready, willing and able to participate in state procurements. As a result of these findings, the Disparity Study made recommendations concerning the implementation

and operation of the statewide certified minority- and women-owned business enterprises program. The recommendations from the Disparity Study culminated in the enactment and the implementation of New York State Executive Law Article 15-A, which requires, among other things, that the Department establishes goals for maximum feasible participation of New York State Certified minority- and women – owned business enterprises (“MWBE”) and the employment of minority groups members and women in the performance of New York State contracts.

Business Participation Opportunities for MWBEs:

For purposes of this Procurement, the Department hereby establishes an overall goal of 20% for MWBE participation, 12% for Minority-Owned Business Enterprises (“MBE”) participation and 8% for Women-Owned Business Enterprises (“WBE”) participation (based on the current availability of qualified MBEs and WBEs). The Contractor must document good faith efforts to provide meaningful participation by MWBEs as subcontractors or suppliers in the performance of the Contract and Contractor agrees that the Department may withhold payment pending receipt of the required MWBE documentation. The directory of New York State Certified MWBEs can be viewed at: <http://www.nylovesmwbe.ny.gov/cf/search.cfm>. In addition, a listing of certified M/WBE firms that have expressed a specific interest in this RFP will be made available upon request.

For guidance on how the Department will determine the Contractor’s “good faith efforts,” refer to 5 NYCRR §142.8.

In accordance with 5 NYCRR §142.13, Offeror/Contractor acknowledges that if it is found to have willfully and intentionally failed to comply with the MWBE participation goals set forth in the Contract, such finding constitutes a breach of Contract and the Department may withhold payment from the Contractor as liquidated damages.

Such liquidated damages shall be calculated as an amount equaling the difference between: (1) all sums identified for payment to MWBEs had the Contractor achieved the contractual MWBE goals; and (2) all sums actually paid to MWBEs for work performed or materials supplied under the Contract.

By submitting a Proposal, the Offeror/Contractor agrees to submit the following documents and information as evidence of compliance with the foregoing:

- A. Offerors are required to submit a [MWBE Utilization Plan \(form MWBE-100\)](#) (RFP [Exhibit G](#)) and a [Certification of Good Faith Efforts \(form MWBE-104\)](#) (RFP [Exhibit F](#)) with their Proposal. Any modifications or changes to the Utilization Plan after contract award and during the term of the Contract must be reported on a revised MWBE Utilization Plan and submitted to the Department.
- B. The Department will review the submitted MWBE Utilization Plan and advise the Offeror of the Department’s acceptance or issue a notice of deficiency within thirty (30) Days of receipt.
- C. If a notice of deficiency is issued, the Offeror agrees that it shall respond to the notice of deficiency within seven (7) business days of receipt by submitting to the Pharmacy Benefit Services Procurement Manager, a written remedy in response to the notice of deficiency. If the written remedy that is submitted is not timely or is found by the Department to be inadequate, the Department shall notify the Offeror and direct the Offeror to submit, within five (5) business days, a request for a partial or total waiver of MWBE participation goals on Form MWBE-101 entitled “Request for Waiver Form” available at:

<http://www.cs.ny.gov/pio/mwbe-eeo-forms.cfm>. Failure to file the waiver form in a timely manner may be grounds for disqualification of the bid or proposal.

- D. The Department may disqualify an Offeror as being non-responsive under the following circumstances:
- i. If an Offeror fails to submit a MWBE Utilization Plan;
 - ii. If an Offeror fails to submit a written remedy to a notice of deficiency;
 - iii. If an Offeror fails to submit a request for waiver; or
 - iv. If the Department determines that the Offeror has failed to document good faith efforts.

Contractors shall attempt to utilize, in good faith, any MBE or WBE identified within its MWBE Utilization Plan, during the performance of the Contract. Requests for a partial or total waiver of established goal requirements made subsequent to contract award may be made at any time during the term of the Contract to the Department, but must be made no later than prior to the submission of a request for final payment on the Contract.

Contractors are required to submit a Contractor's Quarterly M/WBE Contractor Compliance Reports - Form MWBE-103 to the Department's Contract Manager, at the address set forth in the Contract, by the 10th day following each end of quarter over the term of the Contract documenting the progress made toward achievement of the MWBE goals of the Contract. Form MWBE-103 is available at:

<http://www.cs.ny.gov/pio/mwbe-eeo-forms.cfm>

Equal Employment Opportunity Requirements:

By submission of a Proposal in response to this Procurement, the Offeror/Contractor agrees with all of the terms and conditions of [Appendix A](#) including Clause 12 - Equal Employment Opportunities for Minorities and Women. The Contractor is required to ensure that it and any subcontractors awarded a subcontract over \$25,000 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor, shall undertake or continue programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, equal opportunity shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, termination, and rates of pay or other forms of compensation. This requirement does not apply to: (i) work, goods, or services unrelated to the Contract; or (ii) employment outside New York State.

Offeror/Contractor further agrees to submit with its Proposal a [EEO Staffing Plan \(form EEO-100\)](#) (RFP [Exhibit E](#)) identifying the anticipated work force to be utilized on the project and if awarded the contract, will, upon request, submit to the Department, a workforce utilization report identifying the workforce actually utilized on the Contract if known.

Further, pursuant to Article 15 of the Executive Law (the "Human Rights Law"), all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor and any subcontractors will not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements

of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

Please Note: Failure to comply with the foregoing requirements may result in a finding of non-responsiveness, non-responsibility and/or a breach of the Contract, leading to the withholding of funds, suspension or termination of the Contract or such other actions or enforcement proceedings as allowed by the Contract.

Per RFP [§4.02.5](#), executed copies of [Exhibit E](#) entitled “[EEO Staffing Plan \(form EEO-100\)](#)”, [Exhibit F](#) entitled, “[Certification of Good Faith Efforts \(form MWBE-104\)](#)” and [Exhibit G](#) entitled, “[MWBE Utilization Plan \(form MWBE-100\)](#)” must be submitted as part of the Offeror’s Administrative Proposal.

§2.02.4 Americans With Disabilities Act

The Contractor must assure its compliance with the Americans With Disabilities Act (42 USC§12101 et seq.), in that any services and programs provided during the course of performance of the Contract shall be accessible under Title II of the Americans With Disabilities Act, and as otherwise may be required under the Americans With Disabilities Act by submitting, as required per RFP [§4.02.6](#), a completed [Exhibit H](#) entitled, “[Compliance with Americans with Disabilities Act](#)” form as part of the Offeror’s Administrative Proposal.

§2.02.5 MacBride Fair Employment Principles Act & Non-Collusive Bidding Certification

In accordance with Chapter 807 of the Laws of 1992, Offerors must certify whether they or any individual or legal entity in which the Offeror holds a ten percent (10%) or greater ownership interest, or any individual or legal entity that holds a ten percent (10%) or greater ownership in the Offeror have business operations in Northern Ireland. If an Offeror does have business operations in Northern Ireland, they must certify that they are taking lawful steps in good faith to conduct such business operations in accordance with the MacBride Fair Employment Opportunity Principles relating to nondiscrimination in employment and freedom of workplace opportunity regarding such operations in Northern Ireland, and shall permit independent monitoring of their compliance with such principles.

The Department also requires that Offerors certify that prices in their Proposal have been arrived at independently without collusion, consultation, communication or agreement for the purpose of restricting competition with any other Offeror or competitor. In addition, that unless required by law, the prices quoted in the Offeror’s Proposal have not been knowingly disclosed by the Offeror and will not knowingly be disclosed by the Offeror prior to opening, directly, indirectly, to any other Offeror or to any competitor. Offerors must also certify that no attempt has been made or will be made by the Offeror to induce any person, partnership or corporation to submit or not to submit a proposal for the purpose of restricting competition. Per RFP [§4.02.7](#), an executed copy of [Exhibit I](#) entitled, “[MacBride and Non-Collusive Bidding Certification](#)” form must be submitted as part of the Offeror’s Administrative Proposal.

§2.02.6 Vendor Responsibility Requirements – State Finance Law §163

A. Vendor Responsibility Requirements:

New York State Finance Law §163 requires contracts for services and commodities be awarded on the basis of lowest price or best value “to a responsive and responsible Offeror.” Furthermore, §163(9)f requires the Department to make a determination of responsibility of the proposed contractor prior to making an award.

To assist the Department in evaluating the responsibility of Offerors, per RFP [§4.02.8](#), a completed [Exhibit J](#) entitled; “[New York State Standard Vendor Responsibility Questionnaire](#)” (hereinafter “Questionnaire”) must be submitted as part of the Offeror’s Administrative Proposal. This version of the Questionnaire is used when the solicitation is for a non-construction contract and it is designed to provide information to assess an Offeror’s responsibility to conduct business in New York based upon financial and organizational capacity, legal authority, business integrity, and past performance history.

By submitting a Proposal, the Offeror agrees to fully and accurately complete the Questionnaire. The Offeror acknowledges that the State’s execution of the Contract will be contingent upon the State’s determination that the Offeror is responsible, and that the State will be relying upon the Offeror’s responses to the Questionnaire when making its responsibility determination. The Offeror agrees that if it is found by the State that the Offeror’s responses to the Questionnaire were intentionally false or intentionally incomplete, on such finding, the Department may terminate the Contract. In no case shall such termination of the Contract by the State be deemed a breach thereof, nor shall the State be liable for any damages for lost profits or otherwise, which may be sustained by the Contractor as a result of such termination.

To the extent that the Contractor is proposing the use of “Key Subcontractors” (i.e., part of the Offeror’s proposed Project Management Team), the Offeror must also submit a completed [Exhibit J](#) for each Key Subcontractor completed by a person legally authorized to represent the Key Subcontractor.

The Department recommends that Offerors file the required Questionnaire online via the New York State VendRep System. To enroll in and use the VendRep System, please refer to the VendRep System Instructions and User Support for Vendors available at OSC’s website at:

http://www.osc.state.ny.us/vendrep/vendor_index.htm or to enroll, go directly to the VendRep System online at <https://portal.osc.state.ny.us>.

Please note that a Vendor ID is required to enroll in the VendRep System. Please see section B below for information on how to obtain a Vendor ID. Note: OSC requests that vendors allow up to four (4) business days to accommodate the verification process associated with assigning a Vendor ID and updating the OSC Online Services portal to allow a vendor to enroll to use the VendRep System. OSC provides direct support for the VendRep System through user assistance, documents, online help, and a help desk. The OSC Help Desk contact information is located at <http://www.osc.state.ny.us/portal/contactbuss.htm>.

Offerors opting to complete the paper questionnaire can access this form and associated definitions via the OSC website at:

http://www.osc.state.ny.us/vendrep/forms_vendor.htm or may contact the Office of the State Comptroller’s Help Desk for a copy of the paper form. The paper form is also included in the RFP as [Exhibit J](#) “[New York State Standard Vendor Responsibility Questionnaire](#).” A person legally authorized to represent the Offeror or Key Subcontractor, if applicable, must execute the Questionnaire.

B. Vendor ID:

Prior to being awarded a contract pursuant to this RFP, the Offeror must be registered in the New York State Vendor File (Vendor File). This is a central

registry for all vendors who do business with New York State Agencies and the registration must be initiated by a State Agency. Following the initial registration, a unique New York State ten-digit vendor identification number (Vendor ID) will be assigned to your company for usage on all future transactions with New York State. Additionally, the Vendor File enables vendors to use the Vendor Self-Service application to manage certain vendor information in one central location for all transactions related to the State of New York.

If the Offeror is already registered in the Vendor File, the vendor must enter the vendor's ten-digit Vendor ID on the Formal Offer Letter in the place indicated.

If the Offeror is not currently registered in the Vendor File, the Offeror must request assignment of a Vendor ID number from the Department. Complete the OSC Substitute W-9 Form available at:

(http://www.osc.state.ny.us/vendors/forms/ac3237_fe.pdf) and submit the form with the Offeror's Proposal as an attachment to the Offeror's Formal Offer Letter included in the Offeror's Administrative Proposal. The Department will initiate the vendor registration process for the Offeror by submitting the form to the New York State Office of the State Comptroller (OSC) on the vendor's behalf. Once the process is initiated, registrants will receive an e-mail identifying their unique ten-digit Vendor ID and instructions on how to enroll in the online Vendor Self-Service application. For more information on the Vendor File please visit the following website:

http://www.osc.state.ny.us/vendor_management/

§2.02.7 Procurement Lobbying Compliance

It is **Mandatory** that all potential Offerors complete **Attachment 1** entitled, "**Offeror's Affirmation of Understanding and Agreement**", affirming their understanding of and agreement to comply with the procurement lobbying requirements set forth in State Finance Law §139-k and §139-j. A completed **Attachment 1** must be submitted to the ABMC Procurement Manager prior to a prospective Offeror making its initial contact with the Department (e.g., submission of questions, etc.) or concurrent with an Offeror's submission of its Proposal, whichever should occur first.

Additionally, at the time of Proposal submission, the Offeror is required to complete and must submit, per RFP **§4.02.9, Exhibit K** entitled, "**Offeror's Certification of Compliance Pursuant to State Finance Law §139-k(5)**" as part of the Offeror's Administrative Proposal.

§2.02.8 Disclosure Of Proposal Contents – Freedom Of Information Law ("FOIL")

NOTICE TO OFFEROR'S LEGAL COUNSEL

All materials submitted by an Offeror in response to this RFP shall become the property of the Department and may be returned to the Offeror at the sole discretion of the Department. Proposals may be reviewed or evaluated by any person, other than one associated with a competing Offeror, designated by the Department. Offerors may anticipate that Proposals will be evaluated by staff and may be evaluated by staff of other State agencies interested in the provision of the subject services including, but not limited to, the Division of the Budget, and may also be evaluated by consultants retained by the Department unless otherwise expressly indicated in this RFP. The Department has the right to adopt, modify, or reject any or all ideas presented in any material submitted in response to this RFP.

To request that materials be protected from disclosure pursuant to the New York State Freedom of Information Law, Article 6 of the Public Officers Law ("FOIL"), the Offeror must follow the procedures below. If an Offeror believes that any information in its Proposal and/or supplemental submission (s) constitutes proprietary and/or trade secret information and desires that such information not be disclosed if requested pursuant to FOIL, the Offeror must make that assertion by completing [Exhibit L](#) entitled "[Freedom of Information Law – Request for Redactions Chart](#)". The Offeror must complete the form specifically identifying by page number, line, or other appropriate designation, the specific information requested to be protected from FOIL disclosure and the specific reason why such information should not be disclosed. Page 2 of [Exhibit L](#) contains information regarding appropriate justification for protection from FOIL disclosure. Vague, non-specific, summary allegations that material is proprietary or trade-secret are inadequate and will not result in protection from FOIL disclosure.

Per RFP [§4.02.10](#), the completed [Exhibit L](#) should be submitted as part of the Offeror's Administrative Proposal. (Note: Offerors are advised that [Exhibit L](#), as a part of the Offeror's Proposal, is subject to disclosure under FOIL. Offerors should also highlight any parts of [Exhibit L](#) which the Offeror wishes to protect from FOIL disclosure.)

If the Offeror chooses not to assert that any proposal material and/or supplemental submission should be protected from FOIL disclosure, the Offeror should so advise the Department by checking the applicable box on [Exhibit L](#) and including the completed form in the Offeror's Administrative Proposal or with the supplemental submission, as applicable. If a completed [Exhibit L](#) form is not contained in the Offeror's Proposal or enclosed with a supplemental submission, the Department will assume that the Offeror chooses not to assert that any proposal material or supplemental submission, as applicable should be protected from FOIL disclosure.

The FOIL-related materials described herein [§2.02.8](#) will not be considered part of the Offeror's Proposal and will not be reviewed as a part of the Procurement's evaluation process.

Requested Redactions CD and Hard Copy

At the time of Proposal submission, the Offeror is requested to submit 1) a hard copy, and 2) one consolidated file of its entire Proposal, on CD in Adobe Acrobat, noting each specific item requested to be protected from FOIL disclosure by highlighting in yellow each item in a manner such that the material remains visible. No security should be applied to the consolidated Adobe Acrobat file. Both the hard copy and CD should be clearly labeled "**Proposal - Requested Redactions**", and dated.

If, after the Proposal Due Date, the Offeror makes any supplemental submission(s) during the procurement process that it wishes to protect from FOIL disclosure, the Offeror should submit such submission(s) with a completed [Exhibit L](#) in hardcopy and on a CD in Adobe Acrobat noting each specific item requested to be protected from FOIL disclosure by highlighting in yellow each item in a manner such that the material remains visible. No security should be applied to the Adobe Acrobat file. The hardcopy should be separately bound, if applicable and both the hard copy and CD clearly labeled "Supplemental Submission #x- Requested Redactions", dated and sequentially numbered (e.g., Supplemental Submission #1 - Requested Redactions", dated XX/XX/20XX).

Upon OSC approval of the contract resulting from this RFP, a copy of the redacted contract and a redacted copy of each Offeror's Proposal, with approved redactions to

each permanently blacked out by the Department, may, at the sole discretion of the Department, be posted to the Department's procurement website.

In the event any material is requested pursuant to FOIL, the Department will address each party's interests fully in accordance with the procedures required by Article 6 of the Public Officers Law.

§2.02.9 Tax Law Section 5-A Certification Regarding Sales And Compensating Use Taxes

Section 5-a of the New York Tax Law requires that any contract valued at more than \$100,000 entered into by a NYS agency shall not be valid, effective, or binding against the agency unless the Contractor certifies to the Tax Department that it is registered to collect New York State and local sales and compensating use taxes, if the contractor made sales delivered by any means to locations within New York State of tangible personal property or taxable services having a cumulative value in excess of \$300,000, measured over a specified period. In addition, the contractor must certify to the Tax Department that each affiliate and Key Subcontractor of such contractor exceeding such sales threshold during a specified period is registered to collect New York State and local sales and compensating use taxes. For the purpose of this requirement, "affiliate" means a person or organization which, through stock ownership or any other affiliation, directly, indirectly, or constructively controls another person or organization, is controlled by another person or organization, or is, along with another person or organization, under the control of a common parent. The contractor also must certify to the procuring state entity that it filed the certification with the Tax Department and that the certification is correct and complete. Accordingly, in the event the value of the Contract exceeds \$100,000, the Contractor must file a properly completed [Appendix J](#) entitled, "[ST-220-CA – Contractor Certification to Covered Agency](#)" with the Department and a properly completed [Appendix K](#) entitled, "[ST-220-TD – Contractor Certification Pursuant Section 5-A of the Tax Law](#)" with the Department of Taxation & Finance before the Contract may take effect. In addition, after the Contract has taken effect, the Contractor must file a properly completed Form ST-220-CA with the Department if the Contract's term is renewed. Further, a new Form ST-220-TD must be filed with the Department of Taxation & Finance if no ST-220-TD has been filed by the Contractor or if a previously filed Form ST-220-TD is no longer correct and complete.

Submission of these forms (ST-220-CA and ST-220-TD) is **not** required at time of Proposal submission, however, the selected Offeror will be required to complete and submit these forms as a condition of contract award. These forms may also be found at:

http://www.tax.ny.gov/forms/sales_cur_forms.htm

§2.02.10 Compliance with New York State Workers' Compensation Law

Sections 57 and 220 of the New York State Workers' Compensation Law (WCL) provide that the Department shall not enter into any contract unless proof of workers' compensation and disability benefits insurance coverage is produced. Prior to entering into a contract with the Department, the selected Offeror and Key Subcontractor(s), if any, will be required to verify for the Department, on forms authorized by the New York State Workers' Compensation Board, the fact that they are properly insured or are otherwise in compliance with the insurance provisions of the WCL. The forms to be used to show compliance with the WCL are listed in [Appendix N – Compliance with NYS Workers' Compensation Law](#). Any questions relating to either workers' compensation or disability benefits coverage should be directed to the State of New

York Workers' Compensation Board, Bureau of Compliance at 518-486-6307. You may also find useful information at their website <http://www.wcb.ny.gov>

Failure to provide verification of either of these types of insurance coverage by the time the winning Offeror is selected and the Contract is ready to be executed may be grounds for disqualification of an otherwise successful Proposal. Although submission of the insurance verification information is **not** required at the time of submission, the Department would prefer the Offeror append this insurance verification information to the Offeror's Administrative Proposal, if possible.

To the extent that the Contractor is proposing the use of Key Subcontractor(s) (i.e., part of the Offeror's proposed Project Management Team), the Offeror must verify for the Department, on forms authorized by the New York State Workers' Compensation Board, the fact that the Key Subcontractor(s) is/are properly insured or are otherwise in compliance with the insurance provisions of the WCL.

§2.02.11 Consultant Disclosure Requirements

Chapter 10 of the Laws of 2006 requires State contractors to disclose, by employment category, the number of persons employed to provide services under a contract for consulting services, the number of hours worked, and the amount paid to the Contractor by NYS as compensation for work performed by those employees. This includes information on any persons working under any subcontracts with the Contractor. The law defines contracts for consulting services to include any contract entered into by a State agency for analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health, and mental health services, accounting, auditing, paralegal, legal, or similar services. For further information about this requirement, please refer to OSC Bulletin No. G-226 (Issued 6/19/2006 and updated 8/8/07). This Bulletin can be found at: <http://www.osc.state.ny.us/agencies/gbull/g-226.htm>.

If applicable, the Contractor will be required to provide a completed [Appendix L](#) entitled, "[State Consultant Services "Form A" \(Full Contract Term\) \(Adm-985\)](#)" (hereinafter "Form A") at the time the Contract is executed. The completed form must include information for all employees providing such services under the Contract whether employed by the Contractor or a subcontractor. Please note that the form captures the necessary planned employment information prospectively from the start date of the Contract through the end of the contract term.

Further, if applicable, the Contractor will be required to report annually to the Department and to OSC the employment information described above, including work performed by subcontractors. The Contractor shall submit a completed [Appendix M](#) entitled, "[State Consultant Services "Form B" \(Annual Submission\) \(Adm-986\)](#)" (hereinafter "Form B") for each State Fiscal Year during the term of the Contract. During the term of the Contract, such report shall be due no later than May 15 of each year following the end of NYS Fiscal Year being reported.

Submission of these forms (Form A and Form B) is **not** required at the time of Proposal submission; however, the selected Offeror will be required to complete and submit Form A as a condition of contract award.

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SECTION 3 PROJECT SCOPE/UTILIZATION STATISTICS**§3.01 PROJECT SERVICES**

During the term of the Contract, the Contractor will be responsible for the performance of those services/tasks as described in this [§3.01](#) of the RFP (“Project Services”).

§3.01.1 Task #1 - Premium Rate Renewals and Plan Funding Requirements (“Rate Renewals”)

Currently, each year, the Department develops Empire Plan premium rates based on premium demands developed by the Empire Plan insurance carriers for each of the Plan’s component contracts, specifically the Empire Plan’s Hospital, Medical; Managed Mental Health and Substance Abuse and Prescription Drug contracts. These rates are subject to the approval of the New York State Division of Budget (“DOB”). Since Empire Plan premium rates are directly related to the projected Plan costs, the Department seeks assistance from the Contractor in the review of insurance carriers’ rate submissions to provide assurances that implemented rates are reasonable (“Task #1”). Beginning in 2014, it is anticipated that the Prescription Drug contract will be awarded on a self funded basis and the Contractor will be responsible for supporting the Department in the development of funding requirements for the Prescription Drug contract as a Task #1 activity. During the term of the Agreement, one or more of the remaining three (3) Empire Plan contracts may be merged into a single contract and/or awarded on a self-funded basis. The Department anticipates that the vendor(s) selected to provide benefits under any self funded contract(s) would perform underwriting services comparable to those currently being provided by the insurance carriers as regards their existing insured contracts. Therefore, should one or more the three (3) remaining insured components of the Empire Pan (i.e., the Hospital Program, the Medical Program and/or the Managed Mental Health and Substance Abuse Program) converts from and insured program to a self funded program), then the Contractor will be responsible for providing support to the Department in determining funding requirements for that contract(s) as a Task #1 activity.

Rate analysis to be performed by the Contractor shall focus primarily on each Benefit Provider’s projected aggregate experience and the justification provided by the Benefit Providers to support their trend projections and/or premium demands. As part of this task, the Contractor will also evaluate the costs and/or savings associated with any Plan revisions, which may be implemented in the coming Plan Year and recommendations regarding margin and reserve requirements for any self-funded contract.

[Appendix P](#) entitled, “[Sample Carrier Rate Renewal Report](#)” provides the table of contents for the Empire Plan Medical carrier’s typical rate renewal request. [Appendix Q](#) entitled, “[Standard Carrier Reports](#)” lists the titles of the standard reports received from each of the four (4) Empire Plan insurance carriers throughout the year.

During the term of the Contract, the Contractor shall:

- (1) Submit a Task #1 work plan to the Department prior to the beginning of the rate renewal process for the upcoming Plan Year. This Task #1 work plan must be submitted to the Department not later than July 1 and it must be acceptable to the Department. The first Plan Year under the Contract will begin on January 1, 2014, and, as such, the first Task #1 work plan under the Contract is due on July 1, 2013;
- (2) Submit to the Department Contractor developed independent rate requirement estimates not later than August 31 of each year of the Contract (i.e., “Benefits

- Management Consultant Independent Experience Projections and Premium Requirements” report);
- (3) Review and provide a written evaluation of the Empire Plan Benefit Providers’ rate proposals. This will include a review of all factors used by the Benefit Providers to determine premium requirements including, but not limited to, projected paid and incurred claims, Benefit Provider retention, margin, and any deficit recoupment load;
 - (4) Provide verbal commentary to the Department on the Empire Plan Benefit Providers’ premium rate adjustments for any Plan changes negotiated with the Benefit Providers;
 - (5) Support the Department in its negotiation of the Empire Plan rates with the Benefit Providers, including attendance at and participation in meetings as deemed necessary by the Department;
 - (6) Assist the Department in presenting rate proposals to GOER, DOB, the Joint Labor Management Committee, and other entities, as the Department deems necessary. At least two (2) all day presentation meetings are anticipated annually as part of the Rate Renewal process. (Note: While the Contractor may be called upon to make presentations to or brief other NYS entities involved in the NYSHIP, the Department’s EBD is the “client”, and as such, the Contractor will contract with and be accountable to DCS’ EBD staff.);
 - (7) Support the Department by providing comparative analyses, as requested, using data of other large employers;
 - (8) Submit a final written report with recommendations on the proposed rates (i.e., the final “Benefits Management Consultant Final Report and Recommendations” report);
 - (9) Ensure that principal project staff is available to EBD management for ad hoc discussion of any aspect of Task # 1 throughout the Rate Renewal process; and
 - (10) Participate in and adhere to the following Rate Renewal process and cycle:

Date (Note: All dates shown are on or about)	Rate Renewal Process activity
July 1	The Contractor submits its Task #1 work plan for the upcoming Plan Year.
Early-August	The Department sends each Benefit Provider a rate renewal call letter which outlines the minimum documentation required to support the rate requests and anticipated rate adjustments. See Appendix R entitled “ Sample Call Letter ” for a sample call letter.
August 31	Contractor develops and submits independent rate requirement estimates (i.e., “Benefits Management Consultant Independent Experience Projections and Premium Requirements” report).

Date (Note: All dates shown are on or about)	Rate Renewal Process activity
August 31	The Benefit Providers submit rate renewal proposals and supporting documentation to the Department and the Contractor.
Beginning in the 1st week of September and continuing throughout the Rate Renewal process	The Department and the Contractor work together to ensure consistent understanding of the Benefit Providers' rate renewal proposals and discuss and identify issues and questions which may need further clarification by the Benefit Providers.
2nd week of September	Benefit Providers brief the Health Insurance Council staff and Contractor on their rate renewal proposals.
2nd and/or 3rd weeks of September	Contractor provides comment to the Department in regard to the Benefit Providers' rate renewal proposals.
3rd week of September through period prior to finalization of rate recommendations	The Department, with the assistance of the Contractor, negotiates any adjustments to the proposed rates.
1st week of October	The Department and the Contractor brief the Joint Labor Management Committee regarding the Benefit Providers' rate renewal proposals (During this same meeting, the Benefit Providers also brief the committee on their respective proposals).
1st and/or 2nd weeks of October	Contractor submits its final written report and recommendations to the Department (i.e., final "Benefits Management Consultant Final Report and Recommendations" report).
October 15	The Department submits health insurance rates to the Division of the Budget for approval.
October 23	The Division of the Budget approves rates.
November	Benefits Option Transfer Period*
November 15	The Department loads approved rates into its computerized accounting system (i.e., NYBEAS) and notifies all participants of rate change.
January 1	Effective date of approved rates.

- * The Contractor has no role in NYS' annual option transfer activities, nor will the Contractor be called upon to develop or review associated employee communication materials as a Task #1 responsibility.

§3.01.2 Task #2 – Quarterly Analysis

In accordance with the agreements between the Empire Plan insurance carriers and anticipated agreement with the Prescription Drug program contractor and the Department, the Benefit Providers are or will be required to submit quarterly estimates of experience. These quarterly reports provide quarterly and year-to-date estimates of experience, reconciliations of Benefit Provider projections of prior years' experience, projected rate or funding increases, etc. See [Appendix S](#) entitled, "[Sample Carrier Quarterly Report](#)" for the table of contents of a sample carrier quarterly report information.

During the term of the Contract, the Contractor shall:

- (1) Review and prepare comments on the Empire Plan Benefit Providers first and fourth quarter reports. Said quarterly reports are based on calendar year; the 1st quarter is January through March and the 4th quarter is October through December. The required reviews will be conducted twice per calendar year, during April/May for the 1st quarter reports and January/February for the 4th quarter reports. (As previously noted, if during the term of the Agreement, one or more of the three (s) remaining insured components of the Empire Plan converts from an insured program to a self funded program, then the Contractor will review and comment on that contract(s) quarterly projections and claim payment data for the first and fourth quarters of each calendar year as a Task #2 activity.)
- (2) Provide a written report of its review of each of the Benefit Providers' reports. (The Benefit Provider reports are due no later than the 23rd day of the month following the last month of the quarter under review. It is anticipated that any TPA or PBM contract will have comparable reporting requirements.) The report shall include the Contractor's assessment of the reasonableness of the Benefit Providers' projected current year experience and projected rates for the subsequent year, the Contractor's projected annual claim amount by Benefit Provider for the calendar year (January 1 – December 31), and the Contractor's observed and projected trends, including any other factors that may impact the projected incurred claims experience. Final copy of the required report ("[Quarterly Contractor Commentary Report](#)") must be submitted to the Department within forty-five (45) calendar days from the end of the quarter under review. These reports must be acceptable to the Department.

§3.01.3 Task #3 – GASB 45 Valuation

Governmental Accounting Standards Board Statement No. 45 ("GASB 45") addresses Other Postemployment Benefits ("OPEB") by state and local governments. In accordance with the requirements set forth in GASB 45, the Contractor shall perform an actuarial valuation and develop related reports for the benefit of the Department. In addition to the OPEB of State employees, the valuation must include the OPEB for employees of State University of New York ("SUNY") Campuses, Hospitals and Construction Fund for the various differing fiscal years that will ultimately roll up into the fiscal year financial statements of New York State for the year under review. The NYSHIP PEs and PAs are not included in the valuation; however, they each receive a report that presents the actuarial assumptions that were used in NYS' valuation as guidance to assist them in preparing their own valuations.

The scope of the valuation is limited to post-retirement healthcare benefits. The State offers retiree-pay-all dental benefits and retiree-pay-all life insurance coverage

(limited to a specific group of retirees); however, since there is no State contribution to either of these benefits, both are excluded from the valuation.

The valuation must take into account factors and assumptions related to, but not limited to, the following:

- NYSHIP plan provisions, which may be impacted by negotiated changes and vary by bargaining group;
- Relationship of the health care benefits provided and the eligibility criteria under which those benefits are provided;
- Census data (data on both active enrollees as well as non-active enrollees, i.e. retirees, dependent survivors, and vestees) provided to the Contractor by the Department;
- Demographic assumptions based on experience under the New York State & Local Retirement System, Police and Fire Retirement System, and the New York State Teachers' Retirement System;
- Premium rates, provided by the Department;
- As provided for by NYS Civil Service Law, a reduction may be made to retiree premium contribution based on the value of the retiree's unused sick leave credit at the time of retirement (converted to a fixed monthly credit);
- Retiree claim and enrollment data provided by the Department and the Empire Plan carriers (Note: this is detailed claim data and related enrollment data specific to non-active enrollees).
- Medicare is assumed to be the primary payor for current and future retirees and dependents age 65 and over and also for retirees and/or dependents under age 65 who are Medicare eligible due to qualifying disability;
- NYSHIP requires enrollment in Medicare Parts A and B when an individual first becomes eligible for Medicare coverage. NYSHIP reimburses enrollees for the cost of the Medicare Part B premium (excluding any penalty for late enrollment) for Medicare eligible enrollees and their Medicare eligible dependents; and
- An Employee Group Waiver Plan (EGWP) plus wrap will be implemented for Medicare primary enrollees and dependents effective January 1, 2013.

Task #3 Activities Timelines/Due Dates

As described in further detail below, the Contractor shall produce, by May 31, 2013, a Year Two Roll Forward report. The first Valuation to be performed by the Contractor shall be as of April 1, 2014, and the resultant Valuation Report shall be due not later than October 31, 2014. The Valuation shall be performed in accordance with the Contractor's actuarial assumptions as set forth in the Contractor's NYS/SUNY Actuarial Assumptions Report which is due not later than June 30, 2014. During the term of the Contract, the Contractor shall perform, at a minimum, one (1) Valuation and two (2) Year Two Roll Forwards, and may be required to perform a second Valuation and a third Year Two Roll Forward, if the Department does not exercise its option to terminate the Contract after the third or fourth year of its term, as applicable, in accordance with the schedule set forth in the table (The two (2) Valuations and three (3) Year Two Roll Forwards are identified by their associated report names) as follows:

Report Name	Due Date	Deliverable During Contract Year
2013 Year Two Roll Forward Report	5/31/2013	Year 1
2014 Valuation Report	10/31/2014	Year 2
2015 Year Two Roll Forward Report	5/31/2015	Year 3
2016 Valuation Report (possible)	10/31/2016	Year 4
2017 Year Two Roll Forward (possible)	5/31/2017	Year 5

Contractor GASB 45 Responsibilities:

During the term of the Contract, the Contractor shall:

A. General:

- (1) Provide Task #3 related support to the Department, on an as needed basis, in areas including, but not limited to, assisting the Department in:
 - (a) Responding to requests for information from DOB and/or OSC;
 - (b) Preparation for legislative testimony; and
 - (c) Responding to questions on completed valuation(s) posed by auditors contracted to audit NYS' financial records.

B. As regards Valuations:

- (1) Perform an actuarial valuation of NYS' and SUNY's OPEB every two (2) years and produce a comprehensive report by October 31 of the valuation year to present the results of the Valuation ("Valuation Report"). The first Valuation to be performed by the Contractor under the Contract ("2014 Valuation") shall be as of April 1, 2014 for employers' Financial Statement as follows:

Employer	Financial Statements for the year ending
NYS (excluding all of SUNY)	3/31/2016
SUNY Campus	6/30/2015
SUNY Stony Brook Hospital	6/30/2015
SUNY Brooklyn Hospital	6/30/2015
SUNY Syracuse Hospital	6/30/2015
SUNY Construction Fund	3/31/2015

The results of 2014 Valuation shall be set forth in the Contractor's 2014 Valuation Report.

- (2) The Contractor must produce a report that presents the actuarial assumptions the Contractor will use for the Valuation along with the rationale for those assumptions ("NYS/SUNY Actuarial Assumptions Report"). The NYS/SUNY Actuarial Assumptions Report associated with the 2014 Valuation is due not later than June 30, 2014.
- (3) Provide two (2) reports by November 15th of the Valuation year, that present the actuarial assumptions used for NYS' Valuation, one for distribution to PEs ("PE Actuarial Assumptions Report") and the other to PAs ("PA Actuarial Assumptions

Report”), to provide assistance in performing their GASB 45. The two reports associated with the 2014 Valuation are due no later than November 15, 2014.

C. As regards Year Two Roll Forwards:

- (1) In the year following a Valuation, produce, by May 31 of that year, a “Year Two Roll Forward” report that:
 - (a) includes an exhibit that updates the net OPEB obligation as reported in the prior year’s valuation report (net OPEB revised based on actual fiscal year employer contributions, data provided to the Contractor by the Department),
 - (b) includes an exhibit that presents the calculation of the Annual Required Contribution of the year following the valuation (the prior year calculations are trended forward one year),
 - (c) includes an exhibit that presents the development of the Annual OPEB Cost as well as projections of the net OPEB Obligation for Year Two.

The first Two Year Roll Forward report due under the Contact shall be the 2013 Year Two Roll Forward Report for employers’ Financial Statement as follows:

Employer	Financial Statements for the year ending
NYS (excluding all of SUNY)	3/31/2015
SUNY Campus	6/30/2014
SUNY Stony Brook Hosp	6/30/2014
SUNY Brooklyn Hosp	6/30/2014
SUNY Syracuse Hosp	6/30/2014
SUNY Construction Fund	3/31/2014

§3.01.4 Task #4 – Ad Hoc Consulting Services

The Contractor shall be expected to provide the Department with a full range of ad hoc benefit consulting services. In its delivery of ad hoc services, the Contractor’s analysis should consider and make use of the most current employee benefit data and information in the marketplace. The Contractor shall be expected to possess and/or obtain and make available to the Department a full breadth of benefit consulting services, including such areas as:

- plan design consulting,
- provider network access analysis,
- consulting on selection of vendors,
- regulatory monitoring and compliance guidance,
- risk management,
- wellness programs, and
- disease management.

The Contractor shall, as requested by the Department on a case-by-case basis, be expected to routinely analyze and prepare comprehensive cost and benefit analysis (“Ad Hoc Consulting Services Projects” or “Ad Hoc Projects”). Such Ad Hoc Projects often must be undertaken and completed within very limited timeframes; frequently within 2-3 days of the request and, on occasion, within a twenty-four (24) hour period for certain high priority tasks. The Contractor shall be required to submit final deliverable(s)

required for completion of an Ad Hoc Project within timeframes mutually agreed upon by the Department and the Contractor.

During the term of the Contract, the Contractor shall be expected to, at the rates set forth in the Contractor's Financial Proposal, provide a full range of benefit consulting services. Such services may include, but are not limited to:

- (1) Assisting the Department with the analysis, design and/or review of solicitation instruments (e.g., requests for proposals) and their associated evaluation criteria developed by the Department for any of the benefit programs administered by the Department and/or the evaluation of specified proposals received in regard thereto;
- (2) Performing an actuarial equivalence comparison of the NYSHIP drug plan to Medicare Part D benefits for the same period and file the resultant attestation of such equivalence with the Centers for Medicare and Medicaid Services (CMS);
- (3) Providing the Department with analysis of federal and state legislative proposals, including advice on compliance with such legislation;
- (4) In addition to those services required by Task #1 for Empire Plan Rate Renewal activities, assisting the Department with benefit and premium renewal activities for any of the other benefit programs administered by the Department;
- (5) In addition to those services required by Task #3 for GASB 45 Valuation, assisting the Department with any actuarial valuations;
- (6) Providing recommendations regarding proposed benefit/plan design changes;
- (7) Performing cost/savings analyses of collectively bargained plan changes; and
- (8) Reviewing Benefit Providers contract provisions and provide recommendations.

§3.01.5 Performance Guarantees

The Contractor must agree to Performance Guarantees in areas critical to the quality and delivery of the required services. The Contractor must agree to, at a minimum, the following guarantees and propose, in its Technical Proposal, amounts expressed as either a fixed dollar per day or fixed percent per day amount to be put at risk for failure to meet a guarantee(s).

a. Turnaround Time Guarantees.

Task #1 - Premium Rate Renewals and Plan Funding Requirements: The Contractor must guarantee that it will support the Department during the Premium Renewal Negotiation Process, including performing the timely completion and submittal of reports and final deliverables as specified in RFP [§3.01.1](#).

Task #2 – Quarterly Analysis: The Contractor must guarantee that it will submit Quarterly Contractor Commentary Reports, in the required format and containing the required information as set forth in RFP [§3.01.2](#), no later than forty-five (45) calendar days from the end of the quarter under review.

Task #3 – GASB 45 Valuation: The Contractor must guarantee that it will provide actuarial valuation services and prepare the five (5) required reports (i.e., Valuation Report, NYS/SUNY Actuarial Assumptions Report, PE Actuarial Assumptions Report, PA Actuarial Assumptions Report, and the Year Two Roll Forward report) and other specified deliverables as requested by the Department in fulfillment of GASB

obligations in a timely manner and in accordance with the due dates specified in the annual Task #4 task order negotiated by the Parties, as may be amended by a Department approved Change Order Request and as stated in RFP [§3.01.3](#).

Task #4 – Ad Hoc Consulting Services: The Contractor must guarantee that analysis provided for an Ad Hoc Project will be based on the most current information available, be comprehensive, and be actuarially sound and reasonable. Further, consistent with the provisions in RFP [§3.01.4](#), Ad Hoc Project final deliverables must be provided to the Department not later than the due date agreed upon by the Department and the Contractor for a given Ad Hoc Project final deliverable.

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§3.02 UTILIZATION STATISTICS

As noted in RFP [§2.01.14](#), the Department has taken care in preparing the data accompanying the RFP; however, the Department does not warrant the accuracy of the data. The data, including numbers and statistics, which appear in the RFP are for informational purposes only and, an Offeror's reliance and use of such numbers or statistics, in preparing its Proposal, is at the Offeror's own risk. The numbers and statistics are not guarantees or representations of any levels of past or future performance or participation.

Task #1 – Premium Rate Renewals As of March 2012

Since the inception of the prior and current actuarial and benefit consulting services contracts with Buck Consultants, Inc. ("Incumbent"), the Incumbent has performed ten (10) Task #1 projects. The number of hours expended by Position Title for each of the ten Task #1 projects is shown in the table below:

Contract Year	Principal	Lead Consultant	Consultant	Analyst	Total Hours
2002	89.00	10.50	70.25	57.00	226.75
2003	64.00		76.25	61.25	201.50
2004	78.25		71.25	65.50	215.00
2005	51.25	20.00	15.00	107.50	193.75
2006	56.75	10.00	47.50	53.50	167.75
2007	57.50		97.75	74.25	229.50
2008	68.00	98.25	13.50	55.25	235.00
2009	60.00	48.00	60.25	72.25	240.50
2010	58.25	53.50	47.75	74.50	234.00
2011	76.00	61.50	90.50	66.75	294.75
Total Task 1	659.00	301.75	590.00	687.75	2,238.50

Task #2 – Quarterly Analysis As of March 2012

Since the inception of the prior and current contract with the Incumbent, the Incumbent has performed nineteen (19) Task #2 projects. The number of hours expended by Position Title for each of the nineteen Task #2 projects is shown in the table below:

Month - Year	Principal	Lead Consultant	Consultant	Analyst	Total Hours
Feb-2003	11.50	4.25	70.75	60.50	147.00
May-2003	21.00		75.50	44.00	140.50
Feb-2004	9.25		40.00	59.00	108.25
May-2004	16.50		59.25	50.25	126.00
Feb-2005	18.00	16.25	15.25	59.50	109.00
May-2005	14.50	22.25	16.00	85.25	138.00
Feb-2006	18.75	16.25	16.50	100.75	152.25
May-2006	26.50	33.00	11.75	100.00	171.25
Feb-2008	16.25		85.75	80.50	182.50
May-2007	15.00		92.25	39.25	146.50
Feb-2008	13.25		58.50	64.25	136.00

Month - Year	Principal	Lead Consultant	Consultant	Analyst	Total Hours
Jun-2008	14.75		59.50	27.75	102.00
Mar-2009	16.75	43.75	11.00	62.75	134.25
Jun-2009	15.00	33.75	33.75	98.50	181.00
Feb-2010	10.25	21.25	28.50	82.75	142.75
May-2010	11.50	21.50	21.00	70.50	124.50
Feb-2011	11.75	29.75	36.50	79.25	157.25
May-2011	10.25	20.25	31.50	65.75	127.75
Feb-2012	11.50	26.75	40.25	80.25	158.75
Total Task 2	282.25	289.00	803.50	1,310.75	2,685.50

Task #3 – GASB 45 Valuation As of March 2012

Since the inception of the prior and current contract with the Incumbent, the Incumbent has completed three (three) annual GASB 45 Valuation (“2006 Valuation”) and two Year Two Roll Forward and is in the process of completing its third Year Two Roll Forward (2011). The Valuations include production of a valuation report, an assumption report, a modified assumption report for PEs and a modified assumption report for PAs. The incumbent also produced a paper and exhibits which illustrated the impact of whether the Unfunded Actuarial Accrued Liability (UAAL) is amortized over a closed or open basis and whether NYS prefunds its OPEB obligation or continues on the Pay-As-You-Go basis. The number of hours expended by Position Title for these various projects, through February 2012, is shown in the table below:

Invoice Date	Principal	Lead Consultant	Consultant	Analyst	Total Hours
Prior to 2006	63.50	0.50			64.00
Jan-06	9.50				9.50
Feb-06	6.50	5.75		2.00	14.25
Mar-06	36.75	73.75		109.00	219.50
May-06	49.25	127.50		216.00	392.75
Jun-06	8.75				8.75
Jul-Jun-06	9.50	143.25		99.00	251.75
Jul-Jul-06	26.25	95.00	7.50	40.00	168.75
Aug-06	39.75	37.25	5.25		82.25
July-Oct-06	12.75	6.25			19.00
Nov-Dec-06	15.25	29.50	6.75		51.50
Jan-Feb-07	10.25		0.25		10.50
Apr-07	45.00	69.50	30.75	46.00	191.25
May-07	4.25	3.00			7.25
Jun-07	11.00	10.00			21.00
Sep-07				7.00	7.00
Oct-07	6.25	6.00		2.00	14.25
Jan-08	6.25				6.25
Feb-08	3.50				3.50
Mar-08	7.00		1.75	4.00	12.75
Apr-08	3.50				3.50
May-08	0.25			0.50	0.75
Jun-08	3.00				3.00
Jun-08	1.25				1.25
Jun-08	48.00		25.25	67.25	240.50
Jul-08	37.25	1.00	7.00	10.25	55.50
Jul-08	6.75		2.00	3.25	12.00
Aug-08	0.50				0.50
Aug-08	3.00		4.50	2.00	9.50
Aug-08	12.50		13.50	4.50	30.50
Oct-08	0.50				0.50
Nov-08	0.75				0.75
Dec-08	69.25	38.50	108.50	273.50	489.75
Jan-09	0.50				0.50
Feb-09	6.25		7.50	8.50	22.25
Mar-09	7.75	1.25	4.25	4.75	18.00
Apr-09	19.00		10.50	6.25	35.75

Invoice Date	Principal	Lead Consultant	Consultant	Analyst	Total Hours
May-09	9.25		7.75	6.75	23.75
Jun-09	3.75			0.25	4.00
Jun-09	8.50		9.75	9.25	27.50
Jul-09	1.00		3.00	2.75	6.75
Aug-09	1.00		1.00	0.25	2.25
Sep-09	2.00				2.00
Nov-09	2.25	1.75	0.50		4.50
Jan-10	10.50	14.50	7.75	12.00	44.75
Feb-10	1.25				1.25
May-10	4.00			2.00	6.00
May-10	1.25				1.25
Jun-10	18.50	76.25	46.25	18.25	159.25
Jun-10	2.75				2.75
Jun-10	11.25	13.00	3.75		28.00
Aug-10	9.25	8.00	3.25		20.50
Jan-11	45.50	80.50	88.00	84.75	298.75
Feb-11	8.75	2.75	6.50	4.00	22.00
Mar-11	4.75	0.75	5.75	8.50	19.75
Apr-11	16.50	12.75	14.25	16.75	60.25
Jun-11	8.25	6.75	3.25	4.50	22.75
Jul-11	9.25	17.25	13.25	3.25	43.00
Aug-11	6.50	14.00	7.75	2.50	30.75
Sep-11	0.75				0.75
Jan-12	3.00	2.50	11.75	.75	18.00
Feb-12	2.00	2.00	4.50	.25	8.75
Totals	783.00	900.75	573.25	1,082.50	3,339.50

Task #4 Ad Hoc Projects As of March 2012

Since the inception of the prior and current contract with the Incumbent through March 2012, the Incumbent has undertaken fifty-three (53) Ad Hoc Projects for the Department, in addition to the GASB Valuation project, for which the Department has been billed for services rendered. In regard to those projects, to date, the Incumbent has provided approximately 4,400 billable hours of consulting services. See table below for a breakdown of the hours expended by project by Position Title.

Task 4 Assigned Number	Principal	Lead Consultant	Consultant	Analyst	Total Hours
1	9.75	8.50	.50		18.75
2	18.00	21.00	12.00	1.00	52.00
3	7.25	13.50			20.75
4	12.50	1.00			13.50
5	1.75				1.75
6	6.75				6.75
7	14.75				14.75
8	.75			5.00	5.75
9	9.00	8.25			17.25
10	32.25			1.00	33.25
11	7.75				7.75

Task 4 Assigned Number	Principal	Lead Consultant	Consultant	Analyst	Total Hours
12	2.00				2.00
13	.75				.75
14	14.00	4.50			18.50
15	0.25	1.00			1.25
16	16.75			3.50	20.25
17	12.25				12.25
18	5.00				5.00
19	5.00				5.00
20	12.25	6.00	5.50	2.50	26.25
21	37.75	8.00		3.75	49.50
22	2.25	1.50		.50	4.25
23	13.75			1.25	15.00
24	.25				.25
25	3.25	.25			3.50
26	1.50	7.50			9.00
27	7.75				7.75
28	11.25				11.25
29	289.50	429.75	4.00	369.50	1092.75
30	29.75	74.25	42.00	102.00	248.00
31	7.00	6.50			13.50
32	150.00	154.75	125.50	294.50	724.75
33	19.75				19.75
34	162.50	48.75	45.75	143.25	400.25
35	3.75				3.75
36	25.00	1.00		1.25	27.25
37	20.50				20.50
38	5.00				5.00
39	.25	2.00			2.25
40	30.25	181.25	2.50	5.25	219.25
41	2.00				2.00
42	6.75				6.75
43	22.75	6.50			29.25
44	544.75	154.50	77.00	77.00	853.25
45	33.50	7.50			41.00
46	10.75				10.75
47	1.00				1.00
48	.50				.50
49	.50	1.00			1.50
50	1.00	4.50			5.50
51	54.75	91.75	23.00	63.00	232.50
52	6.25				6.25
53	13.25	.25	14.00	8.75	36.25
Totals	1707.50	1240.75	351.75	1083.00	4383.00

§3.03 GASB 45 PAST/CURRENT PERFORMANCE ACTIVITIES

The information below concerns prior/current GASB 45 Valuations and Year Two Roll Forward activities and associated reports

- **2006 Valuation and Reports:**

The first Valuation performed by the Incumbent was as of April 1, 2006 ("2006 Valuation"). A copy of the first report produced by the incumbent contractor based on said Valuation is contained in [Appendix T](#) entitled, "[GASB 45 - 2006 Valuation](#)". The report is entitled "**New York State/SUNY GASB 45 Postemployment Healthcare Benefits April 1, 2006 Actuarial Valuation dated May 15, 2007**" (i.e., "2006 Valuation Report").

By November 15 of the Valuation year, the incumbent contractor is required to provide two (2) reports that present the actuarial assumptions used for NYS' Valuation, one for distribution to PEs ("[PE Actuarial Assumptions Report](#)") and the other to PAs ("[PA Actuarial Assumptions Report](#)"). The purpose of these reports is to provide assistance to PAs and PEs in performing their GASB 45 Valuations. Copies of the incumbent contractor's 2006 PE and PE Actuarial Assumption Reports are contained in [Appendix T](#) entitled, "[GASB 45 - 2006 Valuation](#)";

- **2007 Year Two Roll Forward**

A copy of the incumbent contractor's 2007 Year Two Roll Forward report is contained in [Appendix U](#) entitled, "[GASB 45 - 2007 Roll Forward to Year Two Report](#)". The report is entitled "**Roll Forward to Year Two Report**" (i.e., "Year 2 Report"). In general, the Year 2 Report provides trended forwarded amounts for the Year 2 Unfunded Actuarial Accrued Liability and the Year 2 projected Net OPEB Obligation as originally set forth in the 2006 Valuation Report. Also, this report includes a revision to the Year 1 Net OPEB Obligation amount (actual employer contributions, as provided to the consultant by DCS, replace the estimated amounts reported in the initial valuation).

Note: NYS (excluding SUNY) included the revised Net OPEB Obligation amount in their 3/31/08 statements. The Year 2 data was not actually used for NYS (excluding SUNY) 3/31/09 statements. The incumbent contractor's 4/1/2008 Valuation was used for NYS' 3/31/09 financial statements.

- **2008 Valuation:**

The second Valuation performed by the Incumbent was as of April 1, 2008 ("2008 Valuation"). A copy of the second report produced by the incumbent contractor based on said Valuation is contained in [Appendix V](#) entitled, "[GASB 45 - 2008 Valuation](#)". The report is entitled "**New York State/SUNY GASB 45 Postemployment Healthcare Benefits April 1, 2008 Actuarial Valuation dated April 27, 2009**" (i.e., "2008 Valuation Report").

By November 15 of the Valuation year, the incumbent contractor is required to provide two (2) reports that present the actuarial assumptions used for NYS' Valuation, one for distribution to PEs ("[PE Actuarial Assumptions Report](#)") and the other to PAs ("[PA Actuarial Assumptions Report](#)"). The purpose of these reports is to provide assistance to PAs and PEs in performing their GASB 45 Valuations. Copies of the incumbent contractor's 2008 PE and PE Actuarial Assumption Reports are contained in [Appendix V](#) entitled, "[GASB 45 - 2008 Valuation](#)";

- **2009 Year Two Roll Forward and 2010 Valuation Reports**

The first 2009 Year Two Roll Forward Report was produced earlier than normal (Dec 2009; rather than Spring 2010). The 2nd 2009 Year Two Roll Forward report was scheduled to be produced in May 2011; however, OSC and its auditors requested that adjustments for Federal Healthcare Reform legislation be included in what OSC needed to report for FYE 10-11 and, as a result, the report was delayed until the end of June 2011. Further, since Federal Healthcare Reform legislation adjustments for NYS (excluding SUNY) were incorporated into the 2008 Year Two Roll Forward Report, the 4/1/2010 Valuation Report (initially produced in April 2011) had to be revised. The 2010 Valuation report was submitted in July 2011. Only NYS (excluding SUNY) figures and language related to NYS (excluding SUNY) were revised. No Federal Healthcare Reform Legislation adjustments for SUNY were made on the 2009 Year Two Roll Forward (and thus no revisions were made for them in either that report or the 4/1/2010 Valuation report).

As a result of legislative changes effective 10/1/2011 and 1/1/2012 which reduced the State's percentage contribution of health insurance premium for State retirees and recent changes in the Sick Leave Actuarial Life Expectancy Tables for Retirees from those Active Groups that recently ratified contracts, it was concluded (by DCS, the current vendor, DOB, OSC & SUNY) that such changes would likely result in a material change to the State's 4/1/2010 Valuation and subsequent Year Two Roll Forward calculations. The Revised and Final 4/1/2010 Valuation Report is expected to be completed by April 2012.

Note: Due to the timing of the above noted changes, Year One and Year Two results will be revised for NYS. Year Two results only will be revised for the SUNY entities (Campus, Hospitals and Construction Fund).

Copies of the three above referenced reports are contained in [Appendix W](#) entitled, "[GASB 45 – 2009 Roll Forward to Year Two Report and 2010 Valuation](#)".

○ **2011 Year Two Roll Forward**

The Year Two Roll Forward report from the 4/1/2010 Valuation is scheduled to be produced in May 2012. This report will trend forward the results from the soon to be completed Revised and Final 4/1/2010 Valuation Report. Also, actual Year One employer contributions will replace the estimated Year One employer contributions that will be included in the soon to be Final 4/1/10 Valuation Report. An update to the Year Two Roll Forward report from the 4/1/2010 Valuation will be provided in May 2013 - the only revision should be replacing the estimated Year Two employer contributions with the actual Year Two employer contributions.

○ **2012 Valuation**

While work is currently being performed on revisions to the 4/1/2010 Valuation, work is also under way on the 4/1/2012 Valuation (the State's fourth Valuation). The additional revisions to the 4/1/2010 Valuation are not expected to impact the timeline on the 4/1/2012 Valuation which is scheduled to be completed by October 31, 2012. In addition, the PA and PE Actuarial Assumptions Reports are also expected to be completed by November 15, 2012.

SECTION 4 PROPOSAL SUBMISSION REQUIREMENTS

§4.01 OVERVIEW

The Department will accept Proposals only from qualified Offerors and will consider for evaluation only those Proposals that it determines to be in compliance with the submission requirements set forth in the RFP, including the Proposal Submission Requirements set forth in this [Section 4](#) of the RFP.

Each Offeror's Proposal must be submitted in hard copy in accordance with the instructions in RFP [Section 2](#) and may not be submitted by phone, e-mail or facsimile. The Proposal must contain three (3) distinct parts as follows:

Administrative Proposal	(RFP §4.02 , below)
Technical Proposal	(RFP §4.03 , below)
Financial Proposal	(RFP §4.04 , below)

§4.02 ADMINISTRATIVE PROPOSAL

****DO NOT INCLUDE ANY COST DATA IN THE ADMINISTRATIVE PROPOSAL****

SUBMISSION INSTRUCTIONS:

The Offeror's Administrative Proposal must contain responses to all of the following items as set forth below (i.e., [§4.02.1](#) through [§4.02.12](#)) and should be in the order and format specified, using the forms set forth in RFP [Exhibit A](#) through [Exhibit L](#) and presented in the order enumerated below. (Note: Additional details pertaining to most of the required forms are found in RFP [§2.02](#) entitled, "[Compliance With Applicable Rules, Laws, Regulation & Executive Orders.](#)")

§4.02.1 Formal Offer Letter

At this part of its Administrative Proposal, the Offeror must submit a formal offer in the form of the "[Formal Offer Letter](#)" as set forth in RFP [Exhibit A](#). The formal offer must be signed and executed by an individual with the capacity and legal authority to bind the Offeror in its offer to NYS. The Offeror must accept substantially the terms and conditions as set forth in RFP [Section 6](#); as well as the terms and conditions set forth in RFP Appendices A through D, and agree to enter into a contractual agreement containing, at a minimum, the terms and conditions identified in the section and appendices as cited herein. If an Offeror proposes to include the services of a Key Subcontractor(s), the Offeror shall be required to assume responsibility for those services as "Prime Contractor." DCS will consider only the Prime Contractor in regard to contractual matters. **(The Offeror is further requested to enclose a copy of its [Formal Offer Letter](#) at the front of the Offeror's Technical and Financial Proposals.)**

§4.02.2 Offeror Qualification Certification

At this part of its Administrative Proposal, the Offeror must complete and submit an executed copy of RFP [Exhibit B](#), entitled "[Offeror Qualification Certification](#)", demonstrating that it meets or exceeds the criteria for eligibility to bid as set forth in [§1.02](#) of the RFP. A person legally authorized to represent the Offeror must execute this certification.

§4.02.3 Compliance with Public Officers Law Requirements

At this part of its Administrative Proposal, the Offeror must submit an executed copy of RFP [Exhibit C](#), entitled "[Compliance with Public Officers Law Requirements](#)". A person legally authorized to represent the Offeror must execute this affirmation.

§4.02.4 Proposal Submission Requirements Checklist

At this part of its Administrative Proposal, the Offeror should complete and submit RFP [Exhibit D](#), entitled “[Proposal Submission Requirements Checklist](#)”.

§4.02.5 Contractor Requirements and Procedures for Business Participation Opportunities for NYS Certified Minority- and Women-Owned Business Enterprises and Equal Employment Opportunities (“EEO”) for Minority Group Members and Women

At this part of its Administrative Proposal, the Offeror must complete and submit the following forms:

- EEO Staffing Plan (form EEO-100) - [Exhibit E](#);
- Certification of Good Faith Efforts (form MWBE-104) - [Exhibit F](#); and
- MWBE Utilization Plan (form MWBE-100) - [Exhibit G](#)

§4.02.6 Compliance with Americans with Disabilities Act

At this part of its Administrative Proposal, the Offeror must submit an executed copy of RFP [Exhibit H](#), entitled “[Compliance with Americans with Disabilities Act](#)”. A person legally authorized to represent the Offeror must execute this certification.

§4.02.7 MacBride and Non-Collusive Bidding Certification

At this part of its Administrative Proposal, the Offeror must complete and submit an executed copy of RFP [Exhibit I](#), entitled “[MacBride and Non-Collusive Bidding Certification](#)”. A person legally authorized to represent the Offeror must execute this certification.

§4.02.8 New York State Standard Vendor Responsibility Questionnaire

At this part of its Administrative Proposal, the Offeror must complete and submit an executed copy of RFP [Exhibit J](#), entitled “[New York State Standard Vendor Responsibility Questionnaire](#)”. A person legally authorized to represent the Offeror must execute the questionnaire. To the extent that the Offeror is proposing the use of “Key Subcontractors” (i.e., part of the Offeror’s proposed Project Management Team), the Offeror must submit completed [Exhibit J](#) for each Key Subcontractor executed by a person legally authorized to represent the subcontractor. For more information regard the Questionnaire, including electronic filing of the Questionnaire in OSC’s VendRep system with see RFP [§2.02.6](#).

§4.02.9 Offeror’s Certification of Compliance Pursuant to State Finance Law §139-k(5)

At this part of its Administrative Proposal, the Offeror must complete and submit RFP [Exhibit K](#), entitled “[Offeror’s Certification of Compliance Pursuant to State Finance Law §139-k\(5\)](#)”. A person legally authorized to represent the Offeror must execute this affirmation.

§4.02.10 Financial Stability

At this part of its Administrative Proposal, the Offeror must provide a bank reference to attest to the Offeror’s financial stability. (Note: For purposes of this reference, the Offeror may not give as a reference a parent or subsidiary company, a partner or an affiliate organization. For the purpose of this requirement, “affiliate” means an organization which, through stock ownership or any other affiliation, directly, indirectly, or constructively controls another organization, is controlled by another organization, or is, along with another organization, under the control of a common

parent.) The letter must include the bank's name, address, contact person name and telephone number and it must address, at a minimum, the following items:

- a) a brief description of the business relationship between the parties (i.e., the Offeror and the bank), including the duration of the relationship and the Offeror's current standing with the bank. For example: *"The Offeror is currently and has been for "x" number of years a client in good standing."*;
- b) a description of any ownership/partner relationship that may exist between the parties, if any. (Note: One party cannot be the parent, partner or subsidiary of the other, nor can one party be an affiliate of the other); and
- c) any other facts or conclusions the bank may deem relevant to the State in regard to the bank's assessment of the Offeror's financial viability and creditworthiness considering the nature and scope of the Project Services to be rendered and which are the subject matter of this RFP, and the parties (i.e., DCS and the Offeror) contractual obligations assuming the Offeror were awarded the resultant contract.

§4.02.11 Conflicts of Interest

At this part of its Administrative Proposal, the Offeror must either list and describe all Conflicts of Interest or affirmatively state that no Conflicts of Interest exist. A Conflict of Interest means a situation which has or may influence or appear to influence, compromise or bias the Offeror's/Contractor's actions and/or judgments in the Offeror's/Contractor's performance of Project Services. Such situations may result from the Offeror's/Contractor's direct or indirect interests, including but not limited to, financial, business, proprietary or personal interests, in the operation and/or administration of the New York State Health Insurance Program (NYSHIP). A Conflict of Interest can result from relationships between the Offeror/Contractor and any individual, entity or organization that existed prior to or that may arise during the term of the Contract.

For each Conflict of Interest identified by the Offeror/Contractor, the Offeror/Contractor must describe what Firewalls and/or other controls, policies and procedures which a reasonable person would expect to provide corrective or mitigating action to adequately safeguard or protect the Department against any Conflict of Interest which have been or will be implemented by the Offeror/Contractor.

Notwithstanding the Conflicts of Interest and, if applicable proposed Firewalls or remedies identified by each Offeror/Contractor, the Department reserves the right to determine whether the Offeror/Contractor has a Conflict of Interest and, if so, whether to disqualify the Offeror or terminate the Contract.

Notwithstanding the preceding, where a Conflict of Interest has been determined to exist, the Department may, along with all other remedies available, require the Contractor to implement Firewalls and/or other controls, policies and procedures identified by the Offeror/Contractor or by the Department to adequately safeguard or protect the Department against any Conflict of Interest. Further, if the Department determines that the implemented Firewalls and/or other controls, policies and procedures do not adequately safeguard or protect against a Conflict of Interest, the Department may disqualify the Offeror or terminate the Contract.

§4.02.12 Freedom of Information Law – Request for Redaction Chart

At this part of its Administrative Proposal, the Offeror should complete and submit RFP [Exhibit L](#), entitled “[Freedom of Information Law – Request for Redactions Chart](#)”. If an Offeror believes that any information in its Proposal constitutes proprietary and/or trade secret information and desires that such information not be disclosed if requested pursuant to FOIL, the Offeror must make that assertion by completing RFP [Exhibit L](#). The Offeror must specifically identify by page number, line, or other appropriate designation, the specific information requested to be protected from FOIL disclosure and the specific reason why such information should not be disclosed. Page 2 of [Exhibit L](#) contains information regarding appropriate justification for protection from FOIL disclosure.

If the Offeror chooses not to assert that any information in its Proposal should be protected from FOIL disclosure, the Offeror should so advise the Department by checking the applicable box on RFP [Exhibit L](#) and enclosing the form at this part of the Offeror’s Administrative Proposal.

§4.02.13 Requested Redactions CD and Hard Copy

The FOIL-related materials described in RFP [§2.02.8](#) (i.e., the **Requested Redactions CD and Hard Copy** documents labeled “**Proposal - Requested Redactions**”) will not be considered part of the Offeror’s Proposal and will not be reviewed as a part of the Procurement’s evaluation process. Notwithstanding this, Offerors are requested to enclose the “Proposal - Requested Redactions” hard copy and CD requested per RFP [§2.02.8](#), in the box/envelope containing the Offeror’s Administrative Proposal.)

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§4.03 TECHNICAL PROPOSAL

****DO NOT INCLUDE ANY COST DATA IN THE TECHNICAL PROPOSAL****

SUBMISSION INSTRUCTIONS:

The Offeror's Technical Proposal should contain responses to all of the following sections as set forth below (i.e., [§4.03.1](#) through [§4.03.6](#)) in the formats as specified and, as applicable, using the forms set forth in RFP [Exhibit M](#) through [Exhibit Q](#) and in the order enumerated below. **(Offeror is requested to enclose a copy of its [Formal Offer Letter](#) at the front of the Offeror's Technical Proposal.)**

§4.03.1 Organizational Overview

The Offeror must possess the administrative and organizational capacity, experience and expertise to provide the required actuarial and benefits management consulting services; the administrative structure to oversee the billing, payment and processing of invoices to the Department for work performed under the contract; and experienced Information Technology ("IT") staff and related electronic systems to accommodate the Department's data analysis and reporting needs. To demonstrate that it meets or exceeds these requirements, at this part of its Technical Proposal, the Offeror should submit an Executive Summary that includes:

- (1) The name and address of the Offeror's main and branch offices and the name of the senior officer responsible for this account;
- (2) A concise description of the Offeror's understanding of the requirements presented in the RFP, the Department's needs, approach, and how the Offeror can assist the Department in accomplishing its objectives;
- (3) A succinct statement outlining corporate/business history including a general mission statement, the overall number of employees per position, and other general information about the firm in support of the Offeror's representation that it has maintained an organization capable of performing the work specified herein this RFP, in continuous operation for at least the past three (3) years and that it has provided services comparable to the Project Services outlined in this RFP continuously during said period for the benefit of, at a minimum, three (3) governmental organizations;
- (4) A succinct statement explaining previous experience providing actuarial and benefits management consulting services to other governmental organizations administering health benefits programs and detail how that experience, in general and specifically in regard to the clients given as Client References in response to RFP [§4.03.3](#) below, qualifies the Offeror and, if applicable, any subcontractors, to perform the required Project Services;
- (5) A concise description of the Contractor's full range benefits consulting services offering and experience addressing, at a minimum, the areas of:

- plan design consulting,
 - provider network access analysis
 - consulting on selection of vendors,
 - regulatory monitoring and compliance guidance,
 - wellness programs, and
 - disease management;
- (6) A description of the activities the Offeror is proposing to undertake to begin or, in the case of the incumbent contractor should they choose to submit a Proposal, continue serving the Department as a client on January 1, 2013;
- (7) An explanation as to how the Offeror proposes to handle administrative responsibilities, such as the billing and invoicing of charges for services to the Department, including a description of how the Offeror will ensure only accurate and complete billing of charges are submitted to the Department;
- (8) A description of the qualifications and experience of staff assigned to provide IT services in support of the Project Management Team's delivery of the required services and how they will interface with the Project Management Team to complete assignments and reports;
- (9) An overview of the Offeror's IT system and programming capabilities and its capacity to accept data from and exchange data with the Department and Empire Plan carriers/contractors, including a description of security measures used to ensure privacy and confidentiality of data is maintained; and
- (10) A description of any additional services/benefits that the Offeror provides its customers, including the Department if the Offeror is selected, at no additional charge, e.g., newsletter, white papers, etc.

§4.03.2 Key Subcontractors

At this part of its Technical Proposal, the Offeror must identify all Key Subcontractors (as defined in RFP [Section 7](#)), if any, with whom the Offeror will be subcontracting with to provide Project Services. For each Key Subcontractor identified, the Offeror should complete and submit RFP [Exhibit M](#), entitled "[Key Subcontractors](#)" and indicate whether or not, as of the date of the Offeror's Proposal, a subcontract has been executed between the Offeror and the Key Subcontractor for services to be provided by such subcontractor relating to the RFP.

If the Offeror will not be subcontracting with any Key Subcontractor(s) to provide Project Services, the Offeror should provide a statement to that effect at this part of its Technical Proposal.

§4.03.3 Client References

The Offeror must provide information regarding three (3) references ("Client References") comprised of preferably a combination of current and former clients of the Offeror to substantiate that the Offeror has

performed, in an acceptable manner, actuarial and benefit consulting services similar in scope to those as set forth in this RFP as regards those portions of Project Services that the Offeror is proposing the Offeror shall perform under the Agreement. (At a minimum, one (1) of the Client References should be a former client of the Offeror.)

If the Offeror is proposing to use the services of a Key Subcontractor(s) to perform a portion(s) of the required Project Services, then the Offeror must, for each Key Subcontractor, provide information regarding three (3) Client References comprised of preferably a combination of current and former clients of the Key Subcontractor to substantiate that the Key Subcontractor has performed, in an acceptable manner, services similar in scope to those as set forth in this RFP as regards those portions of Project Services that the Offeror is proposing the Key Subcontractor shall perform under the Agreement. (At a minimum, one (1) of the Client References should be a former client of the Key Subcontractor.)

For each Offeror Client Reference and each Key Subcontractor, if any Client References provided, the Offeror should complete and submit RFP [Exhibit N](#), entitled "[Client References](#)". (Note: For each Client Reference, the Offeror shall be solely responsible for providing current and accurate contact information including contact names, email addresses and phone numbers that are readily available to be contacted by NYS.)

§4.03.4 Project Management Team

The Department expects the Contractor to: 1) have a knowledgeable, experienced project management team in place that has the responsibility, authority and integrity to administer, manage and oversee all aspects of the required Project Services during the entire term of the Contract, 2) designate a single account executive ("Project Team Leader") accountable to the Department and responsible for ensuring that the needs of the Department are met, 3) be able to maintain and adjust staffing patterns at appropriate levels to provide services as requested by the Department, 4) ensure that all activities associated with Tasks 1, 2, 3, and 4, as applicable will be overseen by an individual certified as a Fellow in the Society of Actuaries ("FSA"), 5) notify the Department in writing of changes in key project management team personnel, and 6) notify the Department of any actual or anticipated events impacting the delivery of Project Services and present options available to minimize or eliminate the impact of those events on the delivery of Project Services. At this part of its Technical Proposal, the Offeror should complete and submit RFP [Exhibit O](#), entitled, "[Project Team Roster](#)" listing the Offeror's proposed **key** project management team members, including Key Subcontractor provided **key** staff, if any. The Offeror should also complete and submit RFP [Exhibit P](#), entitled, "[Biographical Sketch Form](#)" for each proposed key project management team member listed in the [Project Team Roster](#). The proposed Project Team Leader **must** be named at time of Proposal submission. Where individuals are not named, the Offeror should include, as a separate attachment to the roster, a description of the qualifications of the individual(s) that the Offeror would seek to fill the position(s). In

addition, the Offeror should provide an organizational chart for the Project Management Team.

Further, at this section of its Technical Proposal, the Offeror should also provide:

1. a description of how the Offeror proposes that the Project Management Team will:
 - i. successfully handle the four (4) tasks (including an indication of the percentage of time, by team member, dedicated to the project and a task(s),
 - ii. manage the Department's account; and
 - iii. interface with the Department in its delivery of Project Services;
2. a description of the process by which the Offeror proposes to provide notification to the Department of actual or anticipated events impacting the delivery of Project Services and the presentation of options available to minimize or eliminate the impact of those events on the delivery of Project Services;
3. a description of how the Offeror proposes to provide additional resources, should the need arise, from within the organization and/or from a third party;
4. for those positions for which an individual(s) has not been named at time of Proposal submission, a description of how the Offeror proposes to recruit the person(s) to fill the position.
5. a description of how the Offeror proposes to recruit replacement personnel, should one or more Project Management Team members leave during the term of the Contract, and a description of the steps that will be taken to ensure the continuity of Project Management Team members throughout the term of the Agreement.

§4.03.5 Project Services

At this part of its Technical Proposal, the Offeror should provide the information requested below as regards the Offeror's proposed approaches to deliver Project Service as described in RFP [§3.01](#).

Task #1 – Premium Rate Renewals and Plan Funding Requirements

In regard to Task #1, at this part of its Technical Proposal, provide the information sought in A and B, below.

A. Task #1 Work Plan:

Submit a work plan which outlines the proposed process to be followed in order to deliver Task #1 Project Services as set forth in RFP [§3.01.1](#). The outline should include a detailed description of the steps, factors, required staff resources (number of individuals per title and total number of hours per title) using the Position Titles set forth in RFP [§4.04](#) – Assumption #6 needed to successfully

complete the Task. (Note: The projected total number of hours per Position Title per year as set forth in the Offeror's work plan must match the total number of hours per Position Title per year as set forth in the Offeror's **Exhibit R, Form 1** submission.) The Offeror should explain any added assumptions, including justification of those assumptions. Include a timeline with specified start dates, based on number of Business Days, of the major milestones and interim activities for completion of the Task and related activities (e.g. attendance at meetings with the Carriers).

In addition, the Offerors should:

- 1) describe the steps the Offeror will take to ensure that due dates and deadlines for Task #1 are met; and
- 2) describe the quality assurance process to be used to ensure Task #1 reports, documents and services are complete, accurate and of the quality required by the Department.

The proposed work plan shall serve as the basis upon which the Contractor is to propose its Task #1 Not-to-Exceed Amount as set forth in the Offeror's Financial Proposal.

B. Task #1 Deliverables:

Prepare a comprehensive outline of the information to be provided in satisfaction of the following deliverables, for each of the Empire Plan Carriers, with justification for inclusion of each of the subject areas:

- (a) "Benefits Management Consultant Independent Experience Projections and Premium Requirements", and
- (b) "Benefits Management Consultant Final Report and Recommendations".

Task #2 – Quarterly Analysis

In regard to Task #2, at this part of its Technical Proposal, provide the information sought in A and B, below.

A. Task #2 Work Plan:

Submit a work plan which outlines the proposed process to be followed in order to deliver Task #2 Project Services as set forth in RFP **§3.01.2**. The outline should include a detailed description of the steps, factors, required staff resources (number of individuals per title and total number of hours per title) using the Position Titles set forth in RFP **§4.04 – Assumption #6** needed to successfully complete the Task. (Note: The projected total number of hours per Position Title per year as set forth in the Offeror's work plan must match the total number of hours per Position Title per year as set forth in the Offeror's **Exhibit R, Form 2** submission.) The Offeror should explain any added assumptions, including justification of those assumptions. Include a timeline with specified start dates, based on number of Business Days, of the major

milestones and interim activities for completion of the Task and related activities.

In addition, the Offerors should:

- 1) describe the steps the Offeror will take to ensure that due dates and deadlines for Task #2 are met, and
- 2) describe the quality assurance process to be used to ensure Task #2 reports, documents and services are complete, accurate and of the quality required by the Department.

The proposed work plan shall serve as the basis upon which the Contractor is to propose its Task #2 Not-to-Exceed Amount as set forth in the Offeror's Financial Proposal.

B. Task #2 Deliverables:

Provide a comprehensive outline of the information to be provided in the "Benefits Management Consultant Review of Empire Plan Carriers' Quarterly Reports" for each of the Empire Plan carriers, and a justification for inclusion of each of the subject areas.

Task #3 – GASB 45 Valuation

In regard to Task #3, at this part of its Technical Proposal, provide the information sought in A through D, below.

A. GASB 45 Prior Experience:

Describe the Offeror's prior experience in providing GASB 45 valuation and reporting services for other governmental organizations. The Offeror should demonstrate its understanding of the scope and purpose of the project in its response.

B. Task #3 Work Plan:

Submit two work plans which outline the proposed process to be followed in order to deliver Task #3 Project Services as set forth in RFP [§3.01.3](#). The first work plan should clearly identify the steps related to the actuarial valuation component of the Task (i.e., Valuation) and the second work plan should clearly identify the steps related to the annual trending component (i.e., Year Two Roll Forward). The outline(s) should include a detailed description of the steps, factors, required staff resources (number of individuals per title and total number of hours per title) using the Position Titles set forth in RFP [§4.04](#) – Assumption #6 needed to successfully complete the Task. (Note: The projected total number of hours per Position Title per year as set forth in the Offeror's work plan must match the total number of hours per Position Title per year as set forth in the Offeror's [Exhibit R, Form 3](#) submission.) The Offeror should explain any added assumptions, including justification of those assumptions. Include a projected timeline with specified start dates, based on number of Business Days, of the major milestones and interim activities for completion of the Task and related activities.

In addition, the Offerors should:

- 1) describe the steps the Offeror will take to ensure that due dates and deadlines for Task #3 are met, and
- 2) describe the quality assurance process to be used to ensure Task #3 reports, documents and services are complete, accurate and of the quality required by the Department.

Given the variability of tasks which may be required from year to year and the effort required due to factors outside the Parties immediate control, on an annual basis, the Parties will, using the Contractor's work plan(s) as a template and the Contractor's Fixed Hourly Rates as set forth in its Financial Proposal, negotiate Task #3 task order work plans detailing the projected effort, deliverables and a Total Projected Cost amount to undertake and complete the task.

C. NYS/SUNY Deliverables:

The Offeror should provide a comprehensive outline of the information to be provided in the "New York State/State University of New York GASB 45 Postemployment Healthcare Benefits Actuarial Valuation" report, including an explanation of each of the subject areas to be included in the document.

D. PE/PA Deliverables:

The Offeror should confirm its ability to produce a modified version of the NYS/SUNY actuarial valuation report as required for distribution to NYSHIP PEs and PAs.

Task #4 – Ad Hoc Consulting Services

In regard to Task #4, at this part of its Technical Proposal, provide the information sought in A, B and C, below.

A. General:

Offerors should:

- 1) detail the proposed process by which the Offeror will plan, complete and report back to the Department on Ad Hoc projects;
- 2) describe the steps the Offeror will take to ensure that due dates and deadlines for the required ad hoc deliverables are met, including how the Offeror will ensure that this process meets the time constraints and specialized needs of the Department, and
- 3) describe the quality assurance process to be used to ensure requested Ad Hoc reports, documents and services are complete, accurate and of the quality required by the Department.

Given the variability of tasks/effort and resources from one Ad Hoc Project to another, on a Ad Hoc Project-to-Ad Hoc Project basis, the Parties will, depending upon the breadth and scope of services sought

or the nature and or duration of a given Ad Hoc task to be undertaken, either pay the Contractor for the required Ad Hoc services on a time and material basis based on the Fixed Hourly Rates as set forth in the Contractor's Financial Proposal for actual hours worked or negotiate either an Ad Hoc Project Not-To-Exceed Total Cost or an Ad Hoc Project Total Projected Cost amount to undertake and complete each Ad Hoc Project. The negotiated amount will be based on the Contractor's proposed Ad Hoc Project work plan, as approved by the Department and the Contractor's Fixed Hourly Rates as set forth in its Financial Proposal.

B. Prior Ad Hoc Projects:

1) Prior Ad Hoc Projects:

Provide information regarding three (3) prior ad hoc projects undertaken by the Offeror for a client(s). (The ad hoc projects provided cannot be for ad hoc projects undertaken for the benefit of the Department, DOB and/or GOER.) One of each of the following types of ad hoc projects should to be provided:

- a. one (1) of which, in the opinion of the Offeror required a comprehensive analysis of an issue(s), and the results of the analysis were of an exigent nature to the client;
- b. one (1) of which, in the opinion of the Offeror required a comprehensive analysis of an issue(s), and the results of the analysis were not of an exigent nature to the client; and
- c. one (1) of which, in the opinion of the Offeror, the analysis required was of a limited nature, and the results of the analysis were of an exigent nature to the client.

The Offeror should complete and submit RFP [Exhibit Q](#), entitled "[Project Abstract](#)" for each of the three (3) examples providing, at a minimum, the following:

1. A description of the ad hoc or premium rate development and review services in support of a self funded project;
2. The name of the client for whom the undertaking was performed;
3. The name, title, telephone number and e-mail address of a contact at the client (For each client, the Offeror shall be solely responsible for providing contact names and phone numbers that are readily available to be contacted by NYS);
4. The reasons why the analysis was required to be comprehensive in nature, or not;
5. An explanation of what caused the undertaking to be exigent, or not;

6. The resources used to undertake the project (number and titles of analysts and man-hours expended per title) – (Note: the Offeror should use the Positions Titles set forth in RFP [§4.04](#) – Assumption 6, below);
7. The project's timeline to complete the project, at a minimum, provided start and end dates;
8. A description of any change orders issued in regard to the project;
9. An explanation of any modifications/corrections required to secure clients approval of the final deliverable;
10. The initial projected cost of the project and the final cost of the project with an explanation as to any variance in the two amounts; and
11. A copy of the final deliverable(s) (e.g., report or documentation) resultant from the project, if permissible.

C. Sample Ad Hoc Task:

Below are two Sample Tasks. Offerors are required to provide the information sought in Items #1 and #2 regarding **either** Sample Task #1 or Sample Task #2 as set forth below, **BUT NOT BOTH**. The choice as to which Sample Task to address is left to each Offeror to choose. (Note: Item #2 also contains additional requirements as regards the Oral Presentation to be conducted by the Offeror.)

Sample Task #1:

The Contractor has been requested to provide a briefing to the Joint Labor Management Committee on the impact to NYSHIP, including participating employers, participating agencies and NYSHIP enrollees, and to NYSHIP and carrier systems, processes, premium rates associated with the transition to the ICD-10 coding system.

Sample Task #2:

The Contractor has been requested to provide a briefing to the Joint Labor Management Committee on the impact to NYSHIP, including participating employers, participating agencies and NYSHIP enrollees, and to NYSHIP and carrier systems, processes and premium rates associated with the NYS autism legislation.

Item #1 Position Paper:

Prepare a position paper that provides, at a summary level – preferably in bulleted format - the information sought in the Sample Task. The position paper should be no more than two (2) pages long, not including a separate Cover sheet that Offerors may, but are not required to provide.

Item #2 Oral Presentation:

At the Oral Presentation, the Offeror will be expected to give the aforementioned briefing to a group of evaluators (acting as the members of the Joint Labor Management Committee), during which the Offeror will be expected to present, amplify and expound upon the information, findings and recommendations contained in the Offeror's Sample Task position paper submitted in response to item #1.

At this part of its Technical Proposal, Offerors should submit the Power Point presentation slides that the Offeror will use in its presentation. At the Oral Presentation, Offerors will be expected to bring all equipment it intends to use in delivering its presentation (e.g., personal computer and/or audio/visual equipment) as such equipment will not be provided by the Department, however, a podium, chairs, tables, screen and a marker board will be available for the Offeror's use.

Offerors are advised that Offeror's presentation component of the Oral Presentation shall not exceed thirty (30) minutes in duration. Questions asked by Department staff after the Offeror has completed its verbal presentation may extend this timeframe. The Oral Presentation may **not** be used by an Offeror to modify its Proposal.

§4.03.6 Performance Guarantees

Offerors' proposed performance guarantee responses including penalty fee amounts to be put at risk for non-performance are not considered to be cost information and therefore should be stated in the Offeror's Technical Proposal. At this part of its Technical Proposal, the Offeror must state its agreement to the following minimum guarantees and propose amounts, expressed as either a fixed per day dollar amount or a fixed percent per day amount to be put at risk for failure to meet the guarantee. Failure to agree to one or more of the following minimum guarantees and/or failure to propose an associated penalty fee amount(s), expressed as either a fixed per day dollar or a fixed percent per day amount, to be put at risk for failure to meet the guarantee(s), may result in the Offeror deemed non-responsive and eliminated from further consideration.

a. Turnaround Time Guarantees

Task #1 - Premium Rate Renewals: State your willingness to guarantee that the Contractor will support the Department during the Premium Renewal Negotiation Process and that the two required reports and other Task #1 deliverables will be provided in accordance with the requirements set forth in RFP [§3.01.1](#) provided that the required electronic data is received by the Contractor from all Carriers by July 15th of each renewal cycle and the Carrier renewals are received by no later than the first week in September. If the Contractor does not receive the data and/or renewals by the specified dates, different due dates shall be agreed upon in writing by the Parties and guaranteed by the Contractor. The Offeror must propose a penalty for failure to meet the above guarantee and the guarantee must be proposed in the following format:

“For each twenty-four (24) hour period, or part thereof, that a Task #1 report or final deliverable is not provided to the Department by the report(s)/deliverable(s)’ due date, the Contractor shall pay the Department \$___ per day, until such time that the report(s)/deliverable(s) is provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #1 activity.”

Task #2 – Quarterly Analysis: State your willingness to guarantee that Quarterly Contractor Commentary Reports will be provided in accordance with the requirements set forth in RFP [§3.01.2](#), not later than forty-five (45) calendar days from the end of the quarter under review, provided that the required electronic data is received by the Contractor from all Carriers within fifteen (15) days of the close of the quarter, and the Carrier reports within twenty-three (23) days of the close of the quarter. If the Contractor does not receive the data and/or Carrier reports by the specified dates, the due date shall be extended by one day for each day the data and/or Carrier reports are late. The Offeror must propose a penalty for failure to meet the above guarantee and the guaranteed must be proposed in the following format:

“For each twenty-four (24) hour period, or part thereof, beyond a given Quarterly Contractor Commentary Reports’ due date that the final Quarterly Contractor Commentary Reports is not provided to the Department by the Contractor, the Contractor shall pay the Department \$___ per day, until such time as the required final Quarterly Contractor Commentary Reports are provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #2 activity.”

Task #3 – GASB 45 Valuation: State your willingness to guarantee that GASB 45 valuation services and the five (5) required reports will be provided in accordance with the requirement set forth in RFP [§3.01.3](#) and that other specified deliverables as requested by the Department in fulfillment of GASB obligations will be provided in accordance with due dates specified in the annual Task #4 task order negotiated by the Parties, as may be amended by a Department approved Change Order Request(s). The Offeror must propose a penalty for failure to meet the above guarantee and the guarantee must be proposed in the following format:

“For each twenty-four (24) hour period, or part thereof, beyond the due date for a given Task #3 report, as specified in the annual Task #4 task order negotiated by the Parties, as may be amended by a Department approved Change Order Request, is not provided to the Department by the Contractor, the Contractor shall pay the Department ___ percent of the negotiated Task #3 task order Total Project Cost amount, until such time as the report(s) is/are provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #3 activity.”

Task #4 – Ad Hoc Consulting Services: State your willingness to guarantee that, in accordance with the requirements of RFP [§3.01.4](#), analysis provided for a given Ad Hoc Project will be 1) based on the most current information available, 2) comprehensive, and 3) actuarially sound and reasonable, and that an Ad Hoc Project's final deliverables will be provided to the Department not later than the due date agreed upon by the Department and the Contractor for a given Ad Hoc final deliverable. The Offeror must propose a penalty for failure to meet the above guarantee when the Not –To-Exceed Total Cost of a given Ad Hoc project is equal to or greater than fifty thousand dollars (\$50,000) and the guaranteed must be proposed in the following format:

“As regards Ad Hoc projects whose Not-To-Exceed Total Cost is equal to or greater than fifty thousand dollars (\$50,000), for each twenty-four (24) hour period, or part thereof, beyond the due date for the Ad Hoc Project's report or final deliverable, as negotiated by the Parties on a case-by-case basis, that the report/deliverable is not provided to the Department by the Contractor, the Contractor shall pay the Department ___ percent of the Task #4 Ad Hoc Not-To-Exceed Total Cost amount, until such time as the report(s)/deliverable(s) is provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #4 Ad Hoc project.”

§4.04 FINANCIAL PROPOSAL

SUBMISSION INSTRUCTIONS:

The Offeror's Financial Proposal must respond to all of the following mandatory sections as set forth below (i.e., [§4.04.1](#) through [§4.04.3](#)) in the formats as specified and, as applicable, using the forms set forth in RFP [Exhibit R, Forms 1 through 4](#) and in the order enumerated below. The Offeror's Financial Proposal must be based upon the assumptions set forth below and the instructions as set forth herein this [§4.04](#) and associated [Exhibit R, Forms 1 through 4](#).

Assumptions:

Offerors, in developing their Financial Proposal, are to assume the following:

1. The sole compensation for the Contractor under the Contract will be payments based on pricing indicated in the Contractor's Financial Proposal, subject to not-to-exceed and total project cost amounts, as applicable. As applicable, the billed amount of a given task shall not exceed that task's associated not-to-exceed or total project cost amount, plus Department approved travel related expenses, if any and less any credits due the Department for Contractor non-performance.
2. The Contractor shall invoice DCS, monthly in arrears, for all Project Services rendered during the preceding month, together with full supporting detail(s) to the Department's reasonable satisfaction. Said invoicing shall include, as supporting detail, at a minimum the name(s) of individuals being billed along with his/her Position Title, the individual's associated Fixed Hourly Rate and the total hours worked by the individual(s), including the dates and times, for the given billing period. Charges for Project Services rendered by a Contractor shall be based on the Fixed Hourly Rates set forth in the Contractor's Financial Proposal for actual hours worked by Contractor personnel with such time summarized and billed daily in fifteen (15) minute increments (e.g., 1 minute to 15 minutes = .25 of an hour; 16 minutes to 30 minutes = .50 of an hour; 31 minutes to 45 minutes = .75 of an hour and 46 minutes to 60 minutes = 1 hour) in the aggregate. For example, during February 2013, Consultant A worked on Ad Hoc Project XYZ as follows:

Friday 2/1/2013:	Duration
From 9:00 am until 10:00 am	1 hour
From 10:30 am until 11:52 am	1 hour and 22 minutes
From 1:00 pm until 1:54 pm	0 hour and 54 minutes
Total Time Worked 2/1/2013	3 hours 16 minutes
1. Total Billable Hours for 2/1/2013	3.5 Hours
Monday 2/4/2013:	Duration
From 8:00 am until 5:13 pm with and an hour lunch break	8 hours and 13 minutes
Total Time Worked 2/4/2013	8 hours and 13 minutes

2. Total Billable Hours for 2/4/2013	8.25 Hours
Thursday 2/28/2013:	Duration
From 8:00 am until 1:00 pm	5 hours
Total Time Worked 2/28/2013	5 hours
3. Total Billable Hours for 2/28/2013	5 Hours
Total Billable Hours for Consultant A for worked performed on Ad Hoc Project XYZ during February 2013	16.75 hours (i.e., the sum of 1, 2 and 3 above)

3. OSC shall render payment for invoices under the Contract in accordance with ordinary State procedures and practices. The Contractor shall certify the accuracy of all Contractor invoices prior to their submission to the Department and the Department will make best efforts to process all acceptable 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 Contractor for late payment shall be governed by Article XI-A of the State Finance Law.
4. Submission of an invoice and payment thereof shall not preclude the Department from reimbursement or demanding a price adjustment in any case where Project Services as delivered is found to deviate from the terms and conditions of the Contract.
5. Charges for Project Services rendered by Contractor personnel shall be based on the Fixed Hourly Rates as set forth in the Contractor's Financial Proposal. The Fixed Hourly Rates proposed by the Offeror must be inclusive of all direct and indirect costs, overhead expenses, fees and profit. Said rates shall not include travel cost. When travel is directed and required by the Department and prior written approval for such travel has been provided by the Department, the Contractor shall be reimbursed for mileage, lodging and meals at the lower of Contractor rates or the lowest prevailing New York State travel rates. Said travel is anticipated to be minimal.

The Contractor is responsible for keeping adequate records to substantiate any claims for reimbursement by personnel for travel in performance of the services.
6. The Offeror, using the definitions below, must quote Fixed Hourly Rates for each contract year for each of the four (4) Position Titles listed on [Exhibit R, Forms 1 through 4](#). These Position Titles and the Offeror's quoted Fixed Hourly Rates will be used by the Contractor when billing for Project Services rendered.
 - (i) **Principals** – Individuals who have extensive experience and knowledge in benefits management consulting and in designing and analyzing employee benefit plans. Principals generally oversee the management of ad hoc projects and provide guidance but rarely do the actual

- analysis. Principals must have relevant academic and/or professional qualifications, such as Certified Employee Benefit Specialist (“CEBS”), Fellow in the Society of Actuaries (“FSA”), or Juris Doctor (“JD”).
- (ii) **Lead Consultants** – Seasoned professionals with extensive experience and knowledge in actuarial and benefits management consulting, including the design and analysis of employee benefit plans of large employers. As such, Lead Consultants must possess a minimum of ten (10) years of experience in analyzing employee benefit plans and have relevant academic and/or professional qualifications, such as Certified Employee Benefit Specialist (“CEBS”), Fellow in the Society of Actuaries (“FSA”), or Juris Doctor (“JD”).
 - (iii) **Consultants** – Mid-level professionals with five (5) to ten (10) years of increasingly responsible analysis experience. Consultants analyze data and form preliminary conclusions and/or recommendations but report to the Lead Consultant for overall direction on each project. They generally will have made progress toward achieving FSA, CEBS, or other academic or professional qualifications.
 - (iv) **Analysts** – Entry level professionals with less than five (5) years of experience. Analysts work under the direct supervision of Consultants or Lead Consultants and are primarily responsible for working with data but not necessarily drawing conclusions or making recommendations. They generally will be working toward FSA, CEBS, or other relevant academic or professional qualifications.
7. Each final deliverable prepared by the Contractor associated with a given task is subject to Department review and acceptance. The Department will evaluate each final deliverable submitted by the Contractor for conformity and compliance to its stated scope, functionality or purpose. Within five (5) Business Days of the Department’s receipt of the final deliverable, the Department shall either accept or reject the final deliverable. If the Department rejects a final deliverable, then by close of business on the sixth Business Day, the Department’s Contract Manager will notify the Contractor in writing of said rejection and said notice will include a description of the deficiencies noted by the Department that resulted in its decision to reject the final deliverable. At the Department’s sole discretion, the Contractor will be provided with an opportunity to correct the deficiency(ies) cited by the Department, and resubmit the final deliverable for Department acceptance within a timeframe established by the Department. Any resubmission of a rejected final deliverable shall include responses to all Department comments, in addition to corrections for the noted deficiencies. Resubmitted final deliverables will likewise be subject to Department acceptance or rejection. The Department’s review of resubmitted final deliverable(s) will be limited to changes made to the original final. Within five (5) Business Days of the Department’s receipt of the resubmitted final deliverable, the Department shall either accept or reject the resubmitted final deliverable. If the Department rejects a resubmitted final deliverable, then by close of business on the sixth Business Day, the Department’s Contract Manager will notify the Contractor in writing of said rejection and said notice will include a description of the

deficiencies noted by the Department that resulted in its decision to reject the resubmitted final deliverable. The Department may provide verbal comments to the Contractor during and, in addition to, the formal deliverable review processes described above. If the Contractor does not receive Department approval of a final deliverable or resubmitted final deliverable, if applicable, the Contractor will return any monies paid associated with the task for which the deliverable was prepared. If the Department does not notify the Contractor by close of business on the sixth Business Day of its acceptance or rejection of a final deliverable or resubmitted final deliverable, if applicable, then the final deliverable or resubmitted deliverable, if applicable shall be deemed to have been accepted by the Department.

The Financial Proposal must contain the following information, in the order enumerated below. **(Offeror is requested to enclose a copy of its [Formal Offer Letter](#) at the front of the Offeror's Financial Proposal.)**

§4.04.1 Task #1 – Premium Rate Renewals and Plan Funding Requirements

Offerors must complete and submit RFP [Exhibit R, Form 1](#), entitled, “**Task #1 - Premium Rate Renewals and Plan Funding Requirements**”. The Offeror must quote a Not-To-Exceed Total Cost for each year of the entire term of the Contract for the delivery of Task #1 Project Services as set forth in RFP [§3.01.1](#). For each of the four (4) Position Titles listed, the Offeror must quote its proposed Fixed Hourly Rate and the proposed number of hours that each will dedicate to the task for each year. For each year, the Offeror must calculate the Total Projected Cost for each position by multiplying that position's proposed Fixed Hourly Rate by the proposed number of hours to be dedicated to the Task. The Not-To-Exceed Total Cost for each year shall equal the sum of the five (5) Total Projected Cost amounts. The Offeror must calculate the Five Year Total amount by adding together the five (5) Not-To-Exceed Total Cost amounts.

§4.04.2 Task #2 – Quarterly Analysis

Offerors must complete and submit RFP [Exhibit R, Form 2](#), entitled, “**Task #2 - Quarterly Analysis**”. The Offeror must quote a Not-To-Exceed Total Cost for each of the two (2) quarters' activities for each year of the entire term of the Contract for the delivery of Task #2 Project Services as set forth the RFP [§3.01.2](#). For each of the four (4) Position Titles listed, the Offeror must quote its proposed Fixed Hourly Rate and the proposed number of hours that each will dedicate to the task for each report for each year. For each quarter for each year, the Offeror must calculate the Total Projected Cost for each position by multiplying that position's proposed Fixed Hourly Rate by the proposed number of hours to be dedicated to the Task. The Not-To-Exceed Total Cost for each year shall equal the sum of the five (5) Total Projected Cost amounts. The Offeror must calculate the Five Year Total amount by adding together the five (5) Not-To-Exceed Total Cost Amounts.

§4.04.3 Tasks #3 and #4 – GASB 45 Valuation and Ad Hoc Projects Fixed Hourly Rates

Offerors must complete and submit RFP [Exhibit R, Form 3](#), entitled, “**Tasks #3 and #4 - GASB 45 Valuation and Ad Hoc Projects Fixed Hourly Rates**”. For each of the four (4) Position Titles listed, the Offeror must quote Fixed Hourly Rates for the entire term of the Contract for the delivery of Task #3 and Task #4 Project Services as set forth in RFP [§3.01.3](#) and [§3.01.4](#). These rates will be used by the Parties to negotiate Task #3 task order Total Projected Cost amounts, and Task #4 Ad Hoc Project Total Projected Cost and Ad Hoc Not-To-Exceed Total Cost amounts. As regards Task #3, Offerors are also required to complete [Exhibit R, Form 4](#), entitled “**Task #3 Projected Hours Per Position Per Activity**” setting forth the projected total number of hours per Position Title per Task #3 activity to complete the task. The number of hours proposed must match the number of hours set forth in Offeror’s Task #3 work plan(s) as set forth in the Offeror’s Technical Proposal submission (see RFP [§4.03.5](#), above).

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SECTION 5 METHOD OF EVALUATION

§5.01 EVALUATION/SELECTION PROCESS

The Department intends to select that responsive and responsible Offeror whose Proposal offers the best value to the Department and NYS for the purpose of entering into negotiations for the execution of the Contract. The Department will evaluate Offerors' Proposals in accordance with the evaluation methods, procedures, and criteria as set forth in [Section 5](#) of the RFP. Pursuant to Article XI of the State Finance Law, the basis for award shall be on a "Best Value" basis. As defined in New York State Finance Law, Article 11, "Best Value" means the basis for awarding contracts to a responsible and responsive Offeror whose offer optimizes quality, cost and efficiency, and which is consistent with the best interests of the State of New York. The award shall be based on the objective and quantifiable analysis as described in [Section 5](#) of the RFP, with **seventy percent (70%)** of the overall award based on the Offeror's Technical Proposal and **thirty percent (30%)** of the overall award based on the Offeror's Financial Proposal.

The Department shall evaluate Proposals in an objective, comprehensive manner designed to benefit both NYS and participating Offerors. Through this process, the Department shall identify that Offeror who best meets the Department's needs and in a cost-effective manner. The Department intends that all Proposals will be evaluated uniformly and consistently, providing Offerors an equal opportunity to be considered.

For the purpose of its evaluation, the Department may seek assistance from any person, other than one associated with a competing Offeror.

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. This clarifying information must be submitted in writing and in accordance with the formats set forth in [Section 2](#) of the RFP and shall be included as a formal part of the Offeror's Proposal. Failure to provide any required information by the due date set forth in the Department's 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 sole discretion, elect to have any or all Offerors provide Management Interviews, including interviews of any or all members of the Offeror's proposed Project Management Team. The Department also may, at its sole discretion, elect to perform Site Visits with any or all Offerors. The ABMC Procurement Manager will coordinate the necessary scheduling of these events.

Proposals accepted in response to the RFP shall be evaluated and scored subject to the following evaluation process (Note: All scores will be calculated to the hundredth decimal place.):

1st Level: Pass /Fail Screening

Each Proposal will be screened on a pass/fail basis for completeness and conformance to the submission requirements stated in the RFP. Proposals that do not pass this 1st Level Pass/Fail Screening will be deemed non-responsive and removed from further consideration.

2nd Level: Technical Evaluation – 70% of Overall Score

The Technical Proposals of those Offerors who pass the 1st Level Pass/Fail Screening will be evaluated based on their content and responsiveness to the RFP requirements, including the Offeror's ability and willingness to deliver the Project Services described in the RFP and scored based on a weighted scoring system to calculate the Offeror's Technical Score. 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 the Department's experience with the Offeror or its proposed subcontractors, if any; an Oral Presentation, and may include Management Interviews of some or all of the members of the Offeror's proposed Project Management Team and Site Visits (Note: Any Site Visits conducted will be used to confirm information provided by the Offeror.). (Note: Oral Presentations are to be made in the context of the Offeror's Proposal submitted in response to the RFP, specifically [§4.03.5](#), Task #4 – Ad Hoc Consulting Services, (C) Sample Ad Hoc Task. The Offeror assumes the responsibility of being prepared for and conducting the activity at its own expense. Oral Presentation will take place in Albany, New York, and, at a minimum, the Offeror's Project Manager must attend the Oral Presentation. The ABMC Procurement Manager will coordinate the necessary scheduling of the activity with Offerors.)

3rd Level: Cost Evaluation - 30% of Overall Score

The Financial Proposals of those Offerors who pass the 1st Level Pass/Fail Screening will be evaluated based on their content and responsiveness to the RFP's requirements and scored based on a weighted scoring system to calculate the Offeror's Cost Score. The evaluation of the Offeror's Financial Proposal will be based on that Offeror's written Financial Proposal and responses to clarifying questions, if any. The Department shall calculate a "**Total Projected Cost**" for each Offeror based upon the Offeror's rates as quoted over the entire term of the Contract as described below. A Cost Score for each Offeror whose Financial Proposal is evaluated will be determined based on the following formula, with the lowest "Total Projected Cost" amount receiving the maximum points:

$$\text{Cost Score} = \frac{30 \times \text{Lowest Total Projected Cost}}{\text{Total Projected Cost of Proposal being Scored}}$$

The Department will calculate the **Total Projected Cost** for each Offeror as the sum of the Total Calculated Cost for Task #1, the Total Calculated Cost for Task #2, and Total Calculated Cost for Tasks #3 and #4. These three (3) amounts will be determined as follows:

- The Total Calculated Cost for Task #1 shall be taken from the Offeror's "Task #1 – Premium Rate Renewals and Plan Funding Requirements" submission - [Exhibit R, Form 1](#). The Total Calculated Cost for Task #1 shall equal the Task #1 Five Year Total amount as proposed therein.
- The Total Calculated Cost for Task #2 shall be taken from the Offeror's "Task #2 – Quarterly Analysis" submission - [Exhibit R, Form 2](#). The Total Calculated Cost for Task #2 shall equal the Task #2 Five Year Total amount as proposed therein.
- The Total Calculated Cost for Tasks #3 and #4 shall be calculated by the Department using the Offeror's proposed Fixed Hourly Rates as quoted by the Offeror on its "Task #3 and #4 – GASB 45 Valuation and Ad Hoc Projects Fixed Hourly Rates" [Exhibit R, Form 3](#) submission, the Offeror's projected hours per position per year amounts as proposed by the Offeror on its "Task #3 Projected Hours Per Position Per Task Per Activity" - [Exhibit R, Form 4](#) submission, and estimated resource utilization factors for Ad Hoc Projects as pre-determined by the Department.

Final Proposal Ranking

The results of the second and third level evaluations will be combined to calculate the Offeror's Total Combined Score. Contract award will be made to that responsive and responsible Offeror whose Proposal achieves the highest Total Combined Score. If two (2) or more Offerors' Proposals achieve the highest Total Combined Score; the determining factor for purpose of selection will be the Offerors' Cost Scores with award made to that Offeror with the highest Cost Score. In the event that two (2) or more Offerors achieve the highest Total

Combined Score and two (2) or more of those Offerors achieve the highest Cost Score; then said Offerors' Proposals will be deemed to be substantially equivalent and the decision to award a contract to one (1) Offeror over the other(s) shall be made by the Commissioner whose decision shall be final and the basis for determining the award shall be documented in the procurement record.

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SECTION 6 DRAFT CONTRACTUAL PROVISIONS

(Note: items herein this section that are highlighted and in bold italics need to be updated after contract award)

AGREEMENT NO. C00612

THIS Agreement effective January 1, 2013, is entered into by and between New York State Department of Civil Service ("Department" or "DCS"), having its principal office at the Alfred E. Smith Office Building, Albany, NY, 12239 and [enter firm's name] ("Contractor"), a corporation authorized to do business in the State of New York with a principal place of business located at [enter address], and collectively hereinafter referred to as "the Parties."

WITNESSETH

WHEREAS, New York State, through the Department, oversees the New York State Health Insurance Program ("NYSHIP") for New York State employees and retirees and their dependents; and

WHEREAS, NYSHIP is administered by the President of the New York State Civil Service Commission, who also serves as the Commissioner of the Department ("President"), subject to New York State laws and regulations including the Civil Service Law, the State Finance Law Article XI, and their respective implementing regulations; and

WHEREAS, on April 18, 2012, the Department issued a Request for Proposal entitled, "Actuarial and Benefits Management Consulting Services" ("RFP") to secure the services of a qualified organization to provide actuarial and benefits management consulting services to the Employee Benefits Division ("EBD") of the Department for use in the administration of NYSHIP and other benefits administered by the Department ("Project" or "Project Services"); and

WHEREAS, after thorough review and evaluation by the Department of Proposals accepted in response to the RFP, the Contractor's Proposal was selected as representing the "best value" to NYS; and

WHEREAS, the Department, in reliance upon the expertise of the Contractor, desires to engage the Contractor to deliver Project Services, in the manner set forth in the RFP and the Contractor's Proposal, pursuant to the terms and conditions set forth in the Contract;

NOW THEREFORE, in consideration of the mutual covenants and provisions contained herein, the Parties agree as follows:

ARTICLE I: CONTRACTOR RESPONSIBILITIES AND QUALIFICATIONS

1.1.0 The Contractor is responsible for providing Project Services, in such a manner so as to be in compliance with the requirements as set forth in the Agreement and the RFP and for meeting all contractual obligations set forth in this Agreement, including all exhibits, and any subsequent amendments mutually agreed to in writing between the Parties. Contractor acknowledges that the Agreement is being entered into by NYS in reliance on Contractor's representations concerning the particular qualifications, experience, financial standing, management expertise and technical expertise of the Contractor and its staff assigned and subcontractors, if any, engaged to provide Project Services under this Agreement.

Throughout the contract term of this Agreement, in the event that there is a substantial or material change, as defined below, in the ownership or financial viability of the Contractor, its corporate affiliates, subsidiaries or divisions, the Contractor is required to provide notice and

details of any such change to NYS via written notice immediately when such is first known by Contractor, its corporate affiliates, subsidiaries or divisions, or subcontractors.

“Substantial” or “material” change shall be defined to include, but not be limited to, sale, acquisitions, mergers or takeovers involving the Contractor, its corporate affiliates, subsidiaries or divisions or partners which result in a change in the controlling ownership or assets of such entity after the submission of the Proposal; or entry of an order for relief under Title 11 of the United States Code; the making of a general assignment for the benefit of creditors; the appointment of a general receiver or trustee in bankruptcy of Contractor’s, its corporate affiliates, subsidiaries or divisions, or partners’ business or property; or action by Contractor, its corporate affiliates, subsidiaries or divisions, or partners under any state insolvency or similar law for the purposes of its bankruptcy, reorganization or liquidation; or court ordered liquidation against Contractor, its corporate affiliates, subsidiaries or divisions, or partners.

Upon NYS’ receipt of such notice, NYS shall have thirty (30) Business Days from the date of written notice to review the information. The Contractor may not transfer the Contract among corporate affiliates, subsidiaries or divisions or partners without the consent of NYS. In addition to any other remedies available at law or equity, NYS shall have the right to prospectively cancel the Agreement, in whole or in part for cause if it finds that such change materially and adversely affects the delivery of Project Services solely determined by the Department with reference to the best interests of NYS.

ARTICLE II: AGREEMENT DURATION AND AMENDMENTS

- 2.1.0 The Agreement is for the period commencing on January 1, 2013, and continuing through and including December 31, 2017, subject to the approval by the New York State Attorney General’s Office (“AG”) and the New York State Office of the State Comptroller (“OSC”). The term of the Contract shall be for five years with an option to terminate at the end of the third and fourth years at the sole discretion of the Department.
- 2.2.0 The Agreement is subject to amendment(s) only upon consent of the Parties, reduced to writing and approval by the AG and OSC.

ARTICLE III: DOCUMENT INCORPORATION AND ORDER OF PRECEDENCE

- 3.1.0 The Agreement shall be composed solely of the following documents which, in the event of an inconsistency or conflicting terms, shall be given precedence in the order indicated:
 - 3.1.1. Appendix A (Standard Clauses for All NYS Contracts), dated December 2011;
 - 3.1.2. Appendices B (dated May 2011), C (dated April 2006) and D of the RFP;
 - 3.1.3 Any Amendments to the body of the Agreement;
 - 3.1.4. The body of the Agreement;
 - 3.1.5. The RFP, other than Appendices A, B, C and D, as amended via the Department’s Official Responses to Offerors’ Questions dated **[enter official responses release date(s)]**; and
 - 3.1.6. The Contractor’s Proposal dated **[enter proposal date] [if any clarifications responses are provided add reference to them here]**.
- 3.2.0 Only documents expressly enumerated above shall be deemed a part of the Agreement, and references contained in those documents to additional Contractor documents not enumerated above shall be of no force and effect.
- 3.3.0 All prior agreements, representations, statements, negotiations and undertakings are superseded. All statements made by the Department shall be deemed to be representations and not warranties.

- 3.3.4 Nothing contained in this Agreement, expressed or implied, is intended to confer upon any person, corporation, or other entity, other than the Parties hereto and their successors in interest and assigns, any rights or remedies under or by reason of the Agreement.
- 3.3.5 The terms, provisions, representations, and warranties contained in the Agreement shall survive performance hereunder.

ARTICLE IV: LEGAL AUTHORITY TO PERFORM

- 4.1.0 The Contractor represents that the Contractor possesses the legal authority to perform Project Services in accordance with the terms and conditions of the Agreement.
- 4.2.0 The Contractor shall maintain appropriate corporate and/or legal authority, which shall include but is not limited to the maintenance of an administrative organization capable of delivering Project Services in accordance with the Agreement and the authority to do business in the State of New York or any other governmental jurisdiction in which the Project Services are to be delivered.
- 4.3.0 The Contractor shall provide the Department with immediate notice in writing of the initiation of any legal action or suit which relates in any way to the Agreement or which may affect performance of the Contractor's duties under the Agreement.

ARTICLE V PROJECT SERVICES

- 5.1.0 During the term of the Agreement, the Contractor will be responsible for the performance of those services/tasks as described herein this Article V of the Agreement and any and all other Project Services as referenced in the RFP.
- 5.2.0 Task #1 - Premium Rate Renewals and Plan Funding Requirements ("Rate Renewals"). Each year, the Department develops Empire Plan premium rates based on premium demands developed by the Empire Plan insurance carriers for each of the Plan's component contracts, specifically the Empire Plan's Hospital, Medical; Managed Mental Health and Substance Abuse and Prescription Drug contracts. These rates are subject to the approval of the New York State Division of Budget ("DOB"). Since Empire Plan premium rates are directly related to the projected Plan costs, the Department seeks assistance from the Contractor in the review of insurance carriers' rate submissions to provide assurances that implemented rates are reasonable ("Task #1"). Beginning in 2014, it is anticipated that the Prescription Drug contract will be awarded on a self funded basis and the Contractor will be responsible for supporting the Department in the development of funding requirements for the Prescription Drug contract as a Task #1 activity. During the term of the Agreement, one or more of the remaining three (3) Empire Plan contracts may be merged into a single contract and/or awarded on a self-funded basis. The Department anticipates that the vendor(s) selected to provide benefits under any self funded contract(s) would perform underwriting services comparable to those currently being provided by the insurance carriers as regards their existing insured contracts. Therefore, should one or more the three (3) remaining insured components of the Empire Pan (i.e., the Hospital Program, the Medical Program and/or the Managed Mental Health and Substance Abuse Program) converts from and insured program to a self funded program), then the Contractor will be responsible for providing support to the Department in determining funding requirements for that contract(s) as a Task #1 activity. Rate analysis to be performed by the Contractor shall focus primarily on each Carrier's projected aggregate experience and the justification provided by the Carriers to support their trend projections and rate requests. As part of this task, the Contractor will also evaluate the costs and/or savings associated with any Plan revisions, if applicable. During the term of the Agreement, the Contractor shall:
- 5.2.1 Submit a Task #1 work plan to the Department prior to the beginning of the rate renewal process for the upcoming Plan Year. This Task #1 work plan must be

- submitted to the Department not later than July 1 and it must be acceptable to the Department. The first Plan Year under the Contract will begin on January 1, 2014, and, as such, the first Task #1 work plan under the Contract is due on July 1, 2013;
- 5.2.2 Submit to the Department Contractor developed, independent rate requirement estimates not later than August 31 of each year of the Agreement (i.e., “Benefits Management Consultant Independent Experience Projections and Premium Requirements” report);
 - 5.2.3 Review and provide a written evaluation of the Empire Plan Benefit Providers’ rate proposals. This will include a review of all factors used by the Benefit Providers to determine premium requirements including, but not limited to, projected paid and incurred claims, Benefit Provider retention, margin, and any deficit recoupment load;
 - 5.2.4 Provide verbal commentary to the Department on the Empire Plan Benefit Providers’ premium rate adjustments for any Plan changes negotiated with the Benefit Providers;
 - 5.2.5 Support the Department in its negotiation of the Empire Plan rates with the Benefit Providers, including attendance at and participation in meetings as deemed necessary by the Department;
 - 5.2.6 Assist the Department in presenting rate proposals to GOER, DOB, the Joint Labor Management Committee, and other entities, as the Department deems necessary. At least two (2) all day presentation meetings are anticipated annually as part of the Rate Renewal process. (Note: While the Contractor may be called upon to make presentations to or brief other NYS entities involved in the NYSHIP, the Department’s, EBD is the “client”, and as such, the Contractor is accountable to DCS’ EBD staff.);
 - 5.2.7 Support the Department by providing comparative analyses, as requested, using data of other large employers;
 - 5.2.8 Submit a final written report with recommendations on the proposed rates (i.e., the final “Benefits Management Consultant Final Report and Recommendations” report);
 - 5.2.9 Ensure that principal project staff is available to EBD management for ad hoc discussion of any aspect of Task # 1 throughout the Rate Renewal process; and
 - 5.2.10 Participate in and adhere to the following Rate Renewal process and cycle:

Date (Note: All dates shown are on or about)	Rate Renewal Process activity
July 1	The Contractor submits its Task #1 work plan for the upcoming Plan Year.
Early-August	The Department sends each Benefit Provider a rate renewal call letter which outlines the minimum documentation required to support the rate requests and anticipated rate adjustments. See Appendix R , entitled “ Sample Call Letter ” of the RFP for a sample call letter.
August 31	Contractor develops and submits independent rate requirement estimates (i.e., “Benefits Management Consultant Independent Experience Projections and Premium Requirements” report).
August 31	The Benefit Providers submit rate

	renewal proposals and supporting documentation to the Department and the Contractor.
Beginning in the 1st week of September and continuing throughout the Rate Renewal process	The Department and the Contractor work together to ensure consistent understanding of the Benefit Providers' rate renewal proposals and discuss and identify issues and questions which may need further clarification by the Benefit Providers.
2nd week of September	Benefit Providers brief the Health Insurance Council staff and Contractor on their rate renewal proposals.
2nd and/or 3rd weeks of September	Contractor provides comment to the Department in regard to the Benefit Providers' rate renewal proposals.
3rd week of September through period prior to finalization of rate recommendations	The Department, with the assistance of the Contractor, negotiates any adjustments to the proposed rates.
1st week of October	The Department and the Contractor brief the Joint Labor Management Committee regarding the Benefit Providers' rate renewal proposals (During this same meeting, the Benefit Providers also brief the committee on their respective proposals).
1st and/or 2nd weeks of October	Contractor submits its final written report and recommendations to the Department (i.e., final "Benefits Management Consultant Final Report and Recommendations" report).
October 15	The Department submits health insurance rates to the Division of the Budget for approval.
October 23	The Division of the Budget approves rates.
November	Benefits Option Transfer Period*
November 15	The Department loads approved rates into its computerized accounting system (i.e., NYBEAS) and notifies all participants of rate change.
January 1	Effective date of approved rates.

* The Contractor has no role in NYS' annual option transfer activities, nor will the Contractor be called upon to develop or review associated employee communication materials as a Task #1 responsibility.

5.3.0 Task #2 – Quarterly Analysis. During the term of the Agreement, the Contractor shall:

5.3.1 Review and prepare comments on the Empire Plan Benefit Providers first and fourth quarter reports. Said quarterly reports are based on the calendar year; the 1st quarter is January through March and the 4th quarter is October through December.

The required reviews will be conducted twice per calendar year, during April/May for the 1st quarter reports and January/February for the 4th quarter reports.

- 5.3.2 Provide a written report of its review of each of the Benefit Providers' reports. (The Benefit Provider reports are due no later than the 23rd day of the month following the last month of the quarter under review. It is anticipated that any TPA or PBM contract will have comparable reporting requirements.) The report shall include the Contractor's assessment of the reasonableness of the Benefit Providers' projected current year experience and projected rates for the subsequent year, the Contractor's projected annual claim amount by Benefit Provider for the calendar year (January 1 – December 31), and the Contractor's observed and projected trends, including any other factors that may impact the projected incurred claims experience. A final copy of the required report ("Quarterly Contractor Commentary Report") must be submitted to the Department within forty-five (45) calendar days from the end of the quarter under review. These reports must be acceptable to the Department.

- 5.4.0 Task #3 – GASB 45 Valuation. Governmental Accounting Standards Board Statement No. 45 ("GASB 45") addresses Other Postemployment Benefits ("OPEB") by state and local governments. In accordance with the requirements set forth in GASB 45, the Contractor shall perform an actuarial valuation and develop related reports for the benefit of the Department. In addition to the OPEB of State employees, the valuation must include the OPEB for employees of State University of New York ("SUNY") Campuses, Hospitals and Construction Fund for the various differing fiscal years that will ultimately roll up into the fiscal year financial statements of New York State for the year under review. The NYSHIP PEs and PAs are not included in the valuation; however, they each receive a report that presents the actuarial assumptions that were used in NYS' valuation as guidance to assist them in preparing their own valuations. The scope of the valuation is limited to post-retirement healthcare benefits. The State offers retiree-pay-all dental benefits and retiree-pay-all life insurance coverage (limited to a specific group of retirees); however, since there is no State contribution to either of these benefits, both are excluded from the valuation. The valuation must take into account factors and assumptions related to, but not limited to, the following:

- NYSHIP plan provisions, which may be impacted by negotiated changes and vary by bargaining group;
- Relationship of the health care benefits provided and the eligibility criteria under which those benefits are provided;
- Census data (data on both active enrollees as well as non-active enrollees, i.e. retirees, dependent survivors, and vestees) provided to the Contractor by the Department;
- Demographic assumptions based on experience under the New York State & Local Retirement System, Police and Fire Retirement System, and the New York State Teachers' Retirement System;
- Premium rates, provided by the Department;
- As provided for by NYS Civil Service Law, a reduction may be made to retiree premium contribution based on the value of the retiree's unused sick leave credit at the time of retirement (converted to a fixed monthly credit);
- Retiree claim and enrollment data provided by the Department and the Empire Plan carriers (Note: this is detailed claim data and related enrollment data specific to non-active enrollees).
- Medicare is assumed to be the primary payor for current and future retirees and dependents age 65 and over, and also for retirees and/or dependents under age 65 who are Medicare eligible due to qualifying disability;

- NYSHIP requires enrollment in Medicare Parts A and B when an individual first becomes eligible for Medicare coverage. NYSHIP reimburses enrollees for the cost of the Medicare Part B premium (excluding any penalty for late enrollment) for Medicare eligible enrollees and their Medicare eligible dependents; and
- An Employee Group Waiver Plan (EGWP) plus Wrap will be implemented for Medicare primary enrollees and dependents effective January 1, 2013

5.4.1 Task #3 Activities Timelines/Due Dates. As described in further detail below, the Contractor shall produce, by May 31, 2013, a Year Two Roll Forward report. The first Valuation to be performed by the Contractor shall be as of April 1, 2014, and the resultant Valuation Report shall be due not later than October 31, 2014. The Valuation shall be performed in accordance with the Contractor's actuarial assumptions as set forth in the Contractor's NYS/SUNY Actuarial Assumptions Report which is due not later than June 30, 2014. During the term of the Contract, the Contractor shall perform, at a minimum, one (1) Valuation and two (2) Year Two Roll Forwards, and may be required to perform a second Valuation and a third Year Two Roll Forward, if the Contract is extended in accordance with the schedule set forth in the table (The two (2) Valuations and three (3) Year Two Roll Forwards are identified by their associated report names) as follows:

Report Name	Due Date	Deliverable During Contract Year
2013 Year Two Roll Forward Report	5/31/2013	Year 1
2014 Valuation Report	10/31/2014	Year 2
2015 Year Two Roll Forward Report	5/31/2015	Year 3
2016 Valuation Report (possible)	10/31/2016	Year 4
2017 Year Two Roll Forward (possible)	5/31/2017	Year 5

5.4.2 During the term of the Agreement, the Contractor shall:

5.4.2.1 Perform an actuarial valuation of NYS' and SUNY's OPEB every two (2) years and produce a comprehensive report by October 31 of the valuation year to present the results of the Valuation ("Valuation Report"). The first Valuation to be performed by the Contractor under the Contract ("2014 Valuation") shall be as of April 1, 2014 for employers' Financial Statement as follows:

Employer	Financial Statements for the year ending
NYS (excluding all of SUNY)	3/31/2016
SUNY Campus	6/30/2015
SUNY Stony Brook Hospital	6/30/2015
SUNY Brooklyn Hospital	6/30/2015
SUNY Syracuse Hospital	6/30/2015
SUNY Construction Fund	3/31/2015

The results of 2014 Valuation shall be set forth in the Contractor's 2014 Valuation Report.

5.4.2.2 The Contractor must produce a report that presents the actuarial assumptions the Contractor will use for the Valuation along with the rationale for those assumptions ("NYS/SUNY Actuarial Assumptions Report"). The NYS/SUNY

Actuarial Assumptions Report associated with the 2014 Valuation is due not later than June 30, 2014.

- 5.4.2.3 Provide two (2) reports by November 15th of the Valuation year, that present the actuarial assumptions used for NYS' Valuation, one for distribution to PEs ("PE Actuarial Assumptions Report") and the other to PAs ("PA Actuarial Assumptions Report"), to provide assistance in performing their GASB 45. The two reports associated with the 2014 Valuation are due no later than November 15, 2014.
- 5.4.2.4 In the year following a Valuation, produce, by May 31 of that year, a "Year Two Roll Forward" report that:
- includes an exhibit that updates the net OPEB obligation as reported in the prior year's valuation report (net OPEB revised based on actual fiscal year employer contributions, data provided to the Contractor by the Department),
 - includes an exhibit that presents the calculation of the Annual Required Contribution of the year following the valuation (the prior year calculations are trended forward one year),
 - includes an exhibit that presents the development of the Annual OPEB Cost as well as projections of the net OPEB Obligation for Year Two.

The first Two Year Roll Forward report due under the Contact shall be the 2013 Year Two Roll Forward Report for employers' Financial Statement as follows:

Employer	Financial Statements for the year ending
NYS (excluding all of SUNY)	3/31/2015
SUNY Campus	6/30/2014
SUNY Stony Brook Hosp	6/30/2014
SUNY Brooklyn Hosp	6/30/2014
SUNY Syracuse Hosp	6/30/2014
SUNY Construction Fund	3/31/2014

- 5.4.2.5 Provide Task #3 related support to the Department, on an as needed basis, in areas including, but not limited to, assisting the Department in:
- Responding to requests for information from DOB and/or OSC;
 - Preparation for legislative testimony; and
 - Responding to questions on completed valuation(s) posed by auditors contracted to audit NYS' financial records.

5.5.0 Task #4 – Ad Hoc Consulting Services. During the term of the Agreement, the Contractor shall:

- 5.5.1 Provide the Department with a full range of ad hoc benefit consulting services. In its delivery of ad hoc services, the Contractor's analysis should consider and make use of the most current employee benefit data and information in the marketplace. The Contractor shall be expected to possess and/or obtain and make available to the Department a full breadth of benefit consulting services, including such areas as:
- o plan design consulting,
 - o provider network access analysis,

- o consulting on selection of vendors,
 - o regulatory monitoring and compliance guidance,
 - o risk management,
 - o wellness programs, and
 - o disease management.
- 5.5.2 As requested by the Department on a case-by-case basis, analyze and prepare comprehensive cost and benefit analysis ("Ad Hoc Projects"), often undertaken and completed within very limited timeframes; frequently within 2-3 days of the request and, on occasion, within a twenty-four (24) hour period for certain high priority tasks. The Contractor shall be required to submit final deliverable(s) required for completion of an Ad Hoc Project within timeframes mutually agreed upon by the Department and the Contractor.
- 5.5.3 Provide a full range of benefit consulting services, including, but are not limited to:
- 5.5.3.1 Assisting the Department with the analysis, design and/or review of solicitation instruments (e.g., requests for proposals) and their associated evaluation criteria developed by the Department for any of the benefit programs administered by the Department and/or the evaluation of specified proposals received in regard thereto;
 - 5.5.3.2 Performing an actuarial equivalence comparison of the NYSHIP drug plan to Medicare Part D benefits for the same period and file the resultant attestation of such equivalence with the Centers for Medicare and Medicaid Services (CMS);
 - 5.5.3.3 Providing the Department with analysis of federal and state legislative proposals, including advice on compliance with such legislation;
 - 5.5.3.4 In addition to those services required by Task #1 for Empire Plan Rate Renewal activities, assisting the Department with benefit and premium renewal activities for any of the other benefit programs administered by the Department;
 - 5.5.3.5 In addition to those services required by Task #3 for GASB 45 Valuation, assisting the Department with any actuarial valuations;
 - 5.5.3.6 Providing recommendations regarding proposed benefit/plan design changes;
 - 5.5.3.7 Performing cost/savings analyses of collectively bargained plan changes; and
 - 5.5.3.8 Reviewing Benefit Providers contract provisions and provide recommendations.

ARTICLE VI: PERFORMANCE GUARANTEES

- 6.1.0 The Parties agree that the following guarantees and the corresponding penalty(ies) for failure to meet the guarantee shall be implemented effective January 1, 2013. The Contractor acknowledges and agrees that failure to perform a task(s) in such a manner which either meets or exceeds any and/or all of the associated Performance Guarantee(s) as set forth in Article VI of the Agreement and/or fails to make any payment(s) of any such penalty(ies) for such failure to meet any Performance Guarantee(s) does not relieve the Contractor of the performance of the activities, duties and obligations as otherwise set forth in the Agreement.

Payment for failure to meet the Turnaround Guarantees shall take the form of a credit against the associated task for which payment was due.

6.1.1 Turnaround Time Guarantees – Task #1.

The Contractor guarantees to support the Department during the Premium Renewal Negotiation Process, including performing the timely completion and submittal of reports and final deliverables as specified in RFP [§3.01.1](#). The Contractor guarantees it will adhere to the timeline included in the final work plan, provided that the required electronic data is received by the Contractor from all carriers by July 15th of each renewal cycle and the carrier renewals are received by no later than the first week in September. If the Contractor does not receive the data and/or renewals by the specified dates, different due dates shall be agreed upon in writing by the Parties and guaranteed by the Contractor. If the Contractor fails to meet this guarantee, then for each twenty-four (24) hour period, or part thereof, that a Task #1 report or final deliverable is not provided to the Department by the report(s)/deliverable(s)' due date, the Contractor shall pay the Department \$[TBD] per day, until such time that the report(s)/deliverable(s) is provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #1 activity.

6.1.2 Turnaround Time Guarantees – Task #2.

The Contractor guarantees that Quarterly Contractor Commentary Reports will be provided in accordance with the requirements set forth in RFP [§3.01.2](#), not later than forty-five (45) calendar days from the end of the quarter under review, provided that the required electronic data is received by the Contractor from all carriers within fifteen (15) days of the close of the quarter, and the carrier reports within twenty-three (23) days of the close of the quarter. If the Contractor does not receive the data and/or carrier reports by the specified dates, the due date shall be extended by one day for each day the data and/or carrier reports are late. If the Contractor fails to meet this guarantee, then for each twenty-four (24) hour period, or part thereof, beyond a given Quarterly Contractor Commentary Reports' due date that the final Quarterly Contractor Commentary Reports is not provided to the Department by the Contractor, the Contractor shall pay the Department \$[TBD] per day, until such time as the required final Quarterly Contractor Commentary Reports are provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #2 activity.

6.1.3 Turnaround Time Guarantees – Task #3.

The Contractor guarantees that GASB 45 valuation services and the five (5) required reports will be provided in accordance with the requirement set forth in RFP [§3.01.3](#) and that other specified deliverables as requested by the Department in fulfillment of GASB obligations will be provided in accordance with due dates specified in the annual Task #4 task order negotiated by the Parties, as may be amended by a Department approved Change Order Request(s). If the Contractor fails to meet this guarantee, then for each twenty-four (24) hour period, or part thereof, beyond the due date for a given Task #3 report, as specified in the annual Task #4 task order negotiated by the Parties, as may be amended by a Department approved Change Order Request, is not provided to the Department by the Contractor, the Contractor shall pay the Department [TBD] percent of the negotiated Task #3 task order Total Project Cost amount, until such time as the report(s) is/are provided to the

Department, The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #3 activity.

6.1.4 Turnaround Time Guarantees – Task #4.

The Contractor guarantees that, in accordance with the requirements of RFP [§3.01.4](#), analysis provided for a given Ad Hoc Project will be 1) based on the most current information available, 2) comprehensive, and 3) actuarially sound and reasonable, and that an Ad Hoc Project’s final deliverables will be provided to the Department not later than due date agreed upon by the Department and the Contractor. If the Contractor fails to meet this guarantee for an Ad Hoc project(s) whose Not-To-Exceed Total Cost is equal to or greater than fifty thousand dollars (\$50,000), then for each twenty-four (24) hour period, or part thereof, beyond the due date for the Ad Hoc Project’s report or final deliverable as negotiated by the Parties on a case-by-case basis, that the report/deliverable is not provided to the Department by the Contractor, the Contractor shall pay the Department **[TBD]** percent of the Task #4 Ad Hoc Not-To-Exceed Total Cost amount, until such time as the report(s)/deliverable(s) is provided to the Department. The aggregate total penalty amount shall not exceed the actual cost incurred by the Contractor in its performance of the associated Task #4 Ad Hoc project.

6.2.0 Performance penalty amounts due from the Contractor to the DCS for failure to perform any task at its associated guarantee level as set forth above, and audit credit amounts, as determined pursuant to Section 27 of Appendix B, entitled “Audit Authority”, shall be made at the time and in such amounts as determined by the DCS to be final. Upon such determination, the DCS shall notify the Contractor, in writing, and the Contractor shall apply a credit for such amounts against the next subsequent invoice(s), or if such amounts exceed subsequent invoices amounts, pay such amounts to DCS.

ARTICLE VII: PAYMENT FOR SERVICES

7.1.0 The DCS agrees to reimburse the Contractor in accordance with the provisions of the RFP, in particular [§4.04](#) and [Exhibit R](#), at the Fixed Hourly Rates as proposed by the Contractor in its Financial Proposal, subject to any not-to-exceed or total project cost amounts, as applicable, plus Department approved travel expenses and less any credits due to the Department for Contractor non-performance. The Contractor shall invoice the Department, in the format required by the Department, monthly in arrears, for Project Services rendered during the preceding month, together with full supporting detail(s) to the Department’s satisfaction. Charges for Project Services rendered shall be based on the Contractor’s Fixed Hourly Rates for actual hours worked by Contractor personnel. Said invoicing will include, as supporting detail, at a minimum the name(s) of individual(s) for whom the Department is being billed along with his/her Position Title, Fixed Hourly Rate and total hours worked by the individual(s) for the given billing. Charges for Project Services rendered by a Contractor shall be based on the Fixed Hourly Rates set forth in the Contractor’s Financial Proposal for actual hours worked by Contractor personnel with such time summarized and billed daily in fifteen (15) minute increments (e.g., 1 minute to 15 minutes = .25 of an hour; 16 minutes to 30 minutes = .50 of an hour; 31 minutes to 45 minutes = .75 of an hour and 46 minutes to 60 minutes = 1 hour) in the aggregate. For example, during February 2013, Consultant A worked on Ad Hoc Project XYZ as follows:

Friday 2/1/2013:	Duration
From 9:00 am until 10:00 am	1 hour
From 10:30 am until 11:52 am	1 hour and 22 minutes

From 1:00 pm until 1:54 pm	0 hour and 54 minutes
Total Time Worked 2/1/2013	3 hours 16 minutes
1. Total Billable Hours for 2/1/2013	3.5 Hours
Monday 2/4/2013:	Duration
From 8:00 am until 5:13 pm with and an hour lunch break	8 hours and 13 minutes
Total Time Worked 2/4/2013	8 hours and 13 minutes
2. Total Billable Hours for 2/4/2013	8.25 Hours
Thursday 2/28/2013:	Duration
From 8:00 am until 1:00 pm	5 hours
Total Time Worked 2/28/2013	5 hours
3. Total Billable Hours for 2/28/2013	5 Hours
Total Billable Hours for Consultant A for worked performed on Ad Hoc Project XYZ during February 2013	16.75 hours (i.e., the sum of 1, 2 and 3 above)

- 7.2.0 After the Department has approved the Contractor's invoice, the Department shall process the Contractor's invoice to OSC for payment. OSC shall render payment for invoices under the Agreement in accordance with ordinary State procedures and practices. The Contractor shall certify the accuracy of all Contractor invoices prior to their submission to the Department and the Department will make best efforts to process all acceptable 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 Contractor for late payment shall be governed by Article XI-A of the State Finance Law. Submission of an invoice and payment thereof shall not preclude the Department from reimbursement or demanding a price adjustment in any case where Project Services as delivered are found to deviate from the terms and conditions of the Agreement.
- 7.3.0 The Contractor warrants that all of the prices, terms, warranties and benefits granted by the Contractor herein are comparable to or better than the equivalent terms being offered by the Contractor to other customers using similar scope and volume of services. If, during the course of this Agreement, the Contractor enters into arrangements with any other customers providing benefits which are equal to or greater than those benefits to be provided under this Agreement at more favorable terms, this Agreement shall thereupon be deemed amended to provide the same to the DCS.
- 7.4.0 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 OAG and OSC.

ARTICLE VIII: RECORDS AND INFORMATION TO BE FURNISHED

- 8.1.0 The DCS and the Carriers shall furnish to the Contractor all information which the Contractor may reasonably require with regard to any matters pertaining to the delivery of Project Services under this Agreement.

ARTICLE IX: MODIFICATION OF REQUIRED SERVICES

- 9.1.0 In the event that laws or regulations enacted by the federal government and/or the State of New York have an impact upon the conduct of this Agreement in such a manner that the DCS determines that any requirements of the Agreement must be revised, the DCS shall notify the Contractor of any such revisions and shall provide the Contractor with a reasonable time within which to implement such revisions.

- 9.2.0 In the event that NYS and its public employee unions enter into collective bargaining agreements that have an impact upon the conduct of this Agreement in such a manner that the DCS determines that any requirements of the Agreement must be revised, the DCS shall notify the Contractor of any such revisions and shall provide the Contractor with a reasonable time within which to implement such revisions.
- 9.3.0 To the extent that any of the events as set forth in Article IX of the Agreement shall take place, and constitute a material and substantial change in the scope of Project Services which the Contractor is required to perform or deliver under the Agreement, the Contractor may submit a written request to the DCS to initiate review of the fee(s) received by the Contractor for Project Services provided under the terms of the Agreement, accompanied by appropriate documentation as may be required by the DCS. The DCS reserves the right to review such request within a reasonable period of time and in its sole discretion make a written determination as to whether such request shall be approved or rejected. Should the DCS approve the Contractor's request to modify the fee(s), such approval shall be subject to written amendment and approval by the OSC.
- 9.4.0 During the term of a given Task #1 project, Task #2 project, Task #3 task order or Task #4 Ad Hoc Project ("Activity"), should an event(s), outside the control of the Contractor occur that result(s) in a material or substantial change in the effort required of the Contractor to complete the Activity, but not its scope, the Contractor may submit a written request to the DCS requesting an increase to the Total Projected Cost or the Not-To-Exceed Total Cost amount of the Activity, as applicable, accompanied by appropriate documentation as may be required by the DCS (Change Order Request). The DCS reserves the right to review such Change Order Request(s) within a reasonable period of time and, in its sole discretion, make a written determination as to whether the Change Order Request shall be approved or rejected. Should the DCS approve the Contractor's Change Order Request, the Contractor agrees that the Department is not obligated to reimburse the Contractor for costs incurred in excess of the Activity's Total Project Cost or Total Not-To-Exceed Total Cost amount, as modified by the Department approved Change Order(s). The Change Order Request, if approved by the Department, shall not constitute a formal written amendment to the Agreement and the approved Change Order Request shall not be subject to the approval of the OSC.

ARTICLE X: BUSINESS ASSOCIATE AGREEMENT

- 10.1.0 For purposes of this Article, the term "Protected Health Information" ("PHI") means any information, including demographic information collected from an individual, that relates to the past, present, or future physical or mental health or condition of an individual, to the provision of health care to an individual, or to the past, present, or future payment for the provision of health care to an individual, that identifies the individual, or with respect to which there is a reasonable basis to believe that the information can be used to identify the individual. Within the context of this Agreement, PHI may be received by the Contractor from the Department or may be created or received by the Contractor on behalf of the Department. All PHI received or created by the Contractor as a consequence of its performance under this Agreement is referred to herein collectively as "Department's PHI."
- 10.2.0 The Contractor acknowledges that the Department administers on behalf of New York State several group health plans as that term is defined in the Health Insurance Portability and Accountability Act's (HIPAA) implementing regulations at 45 CFR Parts 160 and 164, and that each of those group health plans consequently is a "covered entity" under HIPAA. These group health plans include NYSHIP, which encompasses the Empire Plan as well as participating health maintenance organizations; the Dental Plan, and the Vision Plan. In this capacity, the Department is responsible for the administration of these "covered entities" under HIPAA. The Contractor further acknowledges that the Department has designated

NYSHIP and the Empire Plan as an Organized Health Care Arrangement (OHCA), respectively. The Contractor further acknowledges that the Contractor is a HIPAA “business associate” of the Department as a consequence of the Contractor’s provision of services to and/or on behalf of the Department within the context of the Contractor’s performance under this Agreement, and that the Contractor’s provision of such services may involve the disclosure to the Contractor of individually identifiable health information from the Department or from other parties on behalf of the Department, and also may involve the Contractor’s disclosure to the Department of individually identifiable health information as a consequence of the services performed under this Agreement.

- 10.3.0 **Permitted Uses and Disclosures of the Department’s PHI:** The Contractor may use and/or disclose the Department’s PHI solely in accordance with the terms of this Agreement. In addition, the Contractor may use the Department’s PHI to provide data aggregation services relating to the health care operations of the Department. Further, the Contractor may use and disclose the Department’s PHI for the proper management and administration of the Contractor if such use is necessary for the Contractor’s proper management and administration or to carry out the Contractor’s legal responsibilities, or if such disclosure is required by law or the Contractor obtains reasonable assurances from the person to whom the information is disclosed that it shall be held confidentially and used or further disclosed only as required by law or for the purpose for which it was disclosed to the person, and the person notifies the Contractor of any instances of which it is aware in which the confidentiality of the information has been breached.
- 10.4.0 **Nondisclosure of the Department’s PHI:** The Contractor shall not use or further disclose the Department’s PHI otherwise than as permitted or required by this Agreement or as otherwise required by law. The Contractor shall limit its uses and disclosures of PHI when practical to the information comprising a Limited Data Set, and in all other cases to the minimum necessary to accomplish the intended purpose of the PHI’s access, use, or disclosure.
- 10.5.0 **Safeguards:** The Contractor shall use appropriate, documented safeguards to prevent the use or disclosure of the Department’s PHI otherwise than as provided for by this Agreement. The Contractor shall maintain a comprehensive written information security program that includes administrative, technical, and physical safeguards appropriate to the size and complexity of the Contractor’s operations and the nature and scope of its activities, to reasonably and appropriately protect the confidentiality, integrity and availability of any electronic PHI that it creates, receives, maintains, or that it transmits on behalf of the Department pursuant to this Agreement.
- 10.6.0 **Breach Notification:**
- 10.6.1 *Reporting.* The Contractor shall report to the Department any breach of unsecured PHI, including any use or disclosure of the Department’s PHI otherwise than as provided for by this Agreement, of which the Contractor becomes aware. Further, the Contractor shall report to the Department any security incident of which it becomes aware. “Security incident” shall mean the attempted or successful unauthorized access, use, disclosure, modification, or destruction of information, or interference with system operations in an information system. The Contractor shall notify the Department within five (5) business days of the date the Contractor becomes aware of the event.
- 10.6.2 *Required Information.* The Contractor shall provide the following information to the Department within ten (10) business days of discovery except when, despite all reasonable efforts by the Contractor to obtain the information required, circumstances beyond the control of the Contractor necessitate additional time. Under such circumstances, the Contractor shall provide to the Department the

following information as soon as possible and without unreasonable delay, but in no event later than thirty (30) calendar days from the date of discovery:

- i. the date of the breach incident;
- ii. the date of the discovery of the breach;
- iii. a brief description of what happened;
- iv. a description of the types of unsecured PHI that were involved;
- v. identification of each individual whose unsecured PHI has been, or is reasonably believed to have been, accessed, acquired, or disclosed during the breach;
- vi. A brief description of what the Contractor is doing to investigate the breach, to mitigate harm to individuals and to protect against any further breaches; and
- vii. any other details necessary to complete an assessment of the risk of harm to the individual.

10.6.3 The Department will be responsible to provide notification to individuals whose unsecured PHI has been or is reasonably believed to have been accessed, acquired or disclosed as a result of a breach, as well as the Secretary and the media, as required by 45 CFR Part 164.

10.6.4 The Contractor shall maintain procedures to sufficiently investigate the breach, mitigate losses, and protect against any future breaches, and to provide a description of these procedures and the specific findings of the investigation to the Department upon request.

10.6.5 For purposes of this Agreement, "Unsuccessful Security Incidents" include activity such as pings and other broadcast attacks on Business Associate's firewall, port scans, unsuccessful log-on attempts, denials of service, and any combination of the above, so long as no such incident results in unauthorized access, use, or disclosure of electronic PHI.

10.6.6 The Contractor shall mitigate, to the extent practicable, any harmful effects from any use or disclosure of PHI by the Contractor not permitted by this Agreement.

10.7.0 **Associate's Agents:** The Contractor shall require all of its agents or sub-contractors to whom it provides the Department's PHI, whether received from the Department or created or received by the Contractor on behalf of the Department, agree to the same restrictions and conditions on the access, use, and disclosure of PHI that apply to the Contractor with respect to the Department's PHI under this Agreement.

10.8.0 **Availability of Information to the Department:** The Contractor shall make available to the Department such information and documentation as the Department may require regarding any disclosures of PHI by the Contractor to fulfill the Department's obligations to provide access to, to provide a copy of, and to account for disclosures of the Department's PHI in accordance with HIPAA and its implementing regulations. The Contractor shall provide such information and documentation within a reasonable amount of time of its receipt of the request from the Department.

10.9.0 **Amendment of the Department's PHI:** The Contractor shall make the Department's PHI available to the Department as the Department may require to fulfill the Department's obligations to amend individuals' PHI pursuant to HIPAA and its implementing regulations. The Contractor shall, as directed by the Department, incorporate any amendments to the Department's PHI into copies of the Department's PHI as maintained by the Contractor.

- 10.10.0 **Internal Practices:** The Contractor shall make its internal practices, policies and procedures, books, records, and agreements relating to the use and disclosure of the Department's PHI, whether received from the Department or created or received by the Contractor on behalf of the Department, available to Department and/or the Secretary of the U.S. Department of Health and Human Services in a time and manner designated by the Department and/or the Secretary for purposes of determining the Department's compliance with HIPAA and its implementing regulations.
- 10.11.0 **Termination:**
- 10.11.1 This Agreement may be terminated by the Department at the Department's discretion if the Department determines that the Contractor, as a business associate, has violated a material term of this Article or of the Agreement with respect to the Contractor's obligations under this Article.
- 10.11.2 *Disposition of the Department's PHI:* At the time this Agreement is terminated, the Contractor shall, if feasible, return or destroy all of the Department's PHI, whether received from the Department or created or received by the Contractor on behalf of the Department, that the Contractor still maintains in any form and retain no copies of such information. Alternatively, if such return or destruction is not feasible, the Contractor shall extend indefinitely the protections of this Agreement to the information and shall limit further uses and disclosures to those purposes that make the return or destruction of the Department's PHI infeasible.
- 10.12.0 **Indemnification:** The Contractor agrees to indemnify, defend and hold harmless the State and the Department and its respective employees, officers, agents or other members of its workforce (each of the foregoing hereinafter referred to as "Indemnified Party") against all actual and direct losses suffered by the Indemnified Party and all liability to third parties arising from or in connection with any breach of this Agreement or from any acts or omissions related to this Agreement by the Contractor or its employees, officers, subcontractors, agents or other members of its workforce. Accordingly, the Contractor shall reimburse any Indemnified Party for any and all actual and direct losses, liabilities, lost profits, fines, penalties, costs or expenses (including reasonable attorneys' fees) which may for any reason be imposed upon any Indemnified Party by reason of any suit, claim, action, proceeding or demand by any third party which results from the Contractor's acts or omissions hereunder. The Contractor's obligation to indemnify any Indemnified Party shall survive the expiration or termination of this Agreement.
- 10.13.0 **Miscellaneous:**
- 10.13.1 *Amendments.* This Agreement may not be modified, nor shall any provision hereof be waived or amended, except in a writing duly signed by authorized representatives of the Parties. The parties agree to take such action as is necessary to amend this Agreement from time to time as is necessary to achieve and maintain compliance with the requirements of the Regulations.
- 10.13.2 *Survival.* The respective rights and obligations of Business Associate and Covered Entity under HIPAA as set forth in this Business Associate Agreement shall survive termination of this Agreement.
- 10.13.3 *Regulatory References.* Any reference herein to a federal regulatory section within the Code of Federal Regulations shall be a reference to such section as it may be subsequently updated, amended or modified.
- 10.13.4 *Interpretation.* Any ambiguity in this Agreement shall be resolved to permit covered entities to comply with HIPAA.

ARTICLE XI: NOTICE TO STATE

11.1.0 The Contractor shall immediately notify DCS upon learning of any situation that can reasonably be expected to adversely affect the delivery of Project Services under the Agreement. If such notification is verbal, the Contractor shall submit to DCS a written description of the situation and a recommendation for its resolution within seven (7) Business Days of learning of the situation.

ARTICLE XII: SUSPENSION OF WORK

12.1.0 DCS reserves the right to suspend any or all activities under the Agreement, at any time, in the best interests of NYS or DCS. In the event of such suspension, the Contractor will be given a formal written notice outlining the particulars of such suspension. Examples of the reason for such suspension include, but are not limited to, a budget freeze on State spending, declaration of emergency, or other such circumstances. Upon issuance of such notice, the Contractor shall comply with the suspension order. Activity may resume at such time as DCS issues a formal written notice authorizing a resumption of work.

ARTICLE XIII: GENERAL PROVISION AS TO REMEDIES

13.1.0 The Parties may exercise their respective rights and remedies at any time, in any order, to any extent, and as often as deemed advisable, without regard to whether the exercise of one right or remedy precedes, concurs with or succeeds the exercise of another. A single or partial exercise of a remedy shall not preclude a further exercise of the right or remedy or the exercise of another right or remedy from time to time. No delay or omission in exercising a right or remedy, or delay, inaction, or waiver of any event of default, shall exhaust or impair the right or remedy or constitute a waiver of, or acquiescence to, an event otherwise constituting a breach or default under the Agreement.

13.2.0 In the event of Contractor's default, in addition to pursuing any other legal or equitable remedies, the State shall have the right to take one or more of the following actions:

- withhold payment of some or all of the amounts due and owed under the Agreement until Contractor's performance is brought within the specified parameters;
- terminate the Agreement, in whole or in part;
- suspend, in whole or in part, payments due Contractor under this or any other New York State contract;
- pursue equitable remedies to compel Contractor to perform.

ARTICLE XIV: COOPERATION WITH INVESTIGATIONS AND AUDITS

14.1.0 In addition to the Audit Authority requirements specified in Appendices A and B to this Agreement, the Contractor agrees to cooperate with DCS, any other authorized State or Federal Department, and any law enforcement authority, in the investigation, documentation and litigation of any alleged illegal act, misconduct or unethical behavior related to the RFP and/or Agreement, or in connection with any audit.

ARTICLE XV: WARRANTIES

15.1.0 Where Contractor generally offers additional or more advantageous warranties than set forth below, Contractor shall offer or pass through any such warranties to NYS. A breach of any provision of this Article XV shall be deemed a "material breach" for purposes of default under the Agreement. Contractor hereby warrants and represents:

- 15.1.1 Representations and Warranties. That Contractor assumes responsibility for the cost and timely accomplishment of all obligations and duties required by the Agreement whether or not the Contractor, or subcontractors, performs such obligations or duties. Project Services rendered by the Contractor shall be performed in accordance with all

the terms and conditions, covenants, statements and representations contained in the Agreement, including all appendices.

15.1.2 Workmanship Warranty. That during the term of the Agreement, Contractor will provide the necessary levels of qualified personnel to ensure proper performance by Contractor of its obligations and responsibilities under the Agreement. Contractor warrants that it performs Project Services using a professional and workmanlike manner, in accordance with highest applicable industry standards. For purposes of this Agreement, "highest applicable industry standards" shall be defined as the degree of care, skill, efficiency, and diligence that a prudent person possessing expertise in the subject area and acting in a like capacity would exercise in similar circumstances.

15.1.3 Contractor Compliance. To pay, at its sole expense, all applicable permits, licenses, tariffs, tolls and fees and give all notices and comply with all laws, ordinances, rules and regulations of any governmental entity in conjunction with the performance of obligations under the Agreement. Prior to award and during the Agreement term and any extension thereof, Contractor must establish to the satisfaction of DCS that it meets or exceeds all requirements of the Agreement and any applicable laws, including but not limited to, permits, insurance coverage, licensing, proof of coverage for workman's compensation, and shall provide such proof as required by DCS. Failure to do so may constitute grounds for DCS to cancel or suspend the Agreement, in whole or in part, or to take any other action deemed necessary by DCS.

15.2.0 Survival of Warranties. All warranties contained in the Agreement shall survive the termination of the Agreement.

15.3.0 Limitations. THE WARRANTIES SET FORTH IN THIS AGREEMENT ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE XVI: REPORTS OWNERSHIP & ERROR CORRECTIONS

16.1.0 In addition to ownership provisions set forth elsewhere in Appendices A and B, the Contractor agrees that information and documents developed pursuant to the Agreement are the property of the State of New York and that the Contractor will not discuss such information, documents and systems with a third party without the express written authorization of DCS, other than as required by court order, law, rule or regulation.

16.2.0 The Contractor shall correct any and all errors in any reports, materials and/or documents provided or prepared by the Contractor pursuant to this Agreement provided the Department notifies the Contractor of such errors and, if required, furnishes to the Contractor data and information the Department may be required to provide in order for the Contractor to make such corrections after delivery of any such report, material, document or service. This Contractor requirement shall survive the expiration or termination of the Agreement. In regard to corrections required due solely to an error made by the Contractor, the Contractor will correct such errors at no cost to the Department. The correction of errors which are caused by the Department or NYS or another third party under contract to the NYS will be subject to reimbursement by the Department through the issuance of an *Error Correction Change Order* negotiated between the Parties; the pricing of which shall be based on the Contractor's Fixed Hourly Rates. The actual costs incurred under the *Error Correction Change Order* will not apply to the task's original not-to-exceed amount, however, Task #1, #2, and #4 (if applicable) *Error Correction Change Orders* shall be subject to not-to-exceed payment amounts. The scope of such

Error Correction Change Orders shall be limited to the correction of errors and the *Error Correction Change Order* shall not be subject to the prior approval of OSC before becoming effective.

ARTICLE XVII: TERMINATION

In addition to the Termination of Agreement requirements specified in Appendices A and B to this Agreement, the following provisions shall apply:

- 17.1.0 The State retains the right to cancel the Agreement without cause and in its sole discretion, provided that the Department shall give written notice to the Contractor not less than thirty (30) Days prior to the date upon which termination shall become effective, such notice to be made via registered or certified mail, return receipt requested or hand delivered. The date of such notice shall be deemed to be the date of postmark in the case of mail or the date of hand delivery. This provision should not be understood as waiving NYS' right to terminate the Agreement for cause or to stop work immediately for unsatisfactory work, but is supplementary to that provision. In the event of cancellation without cause by NYS, NYS agrees to negotiate a payment based on time, materials and other documented expenses directly attributable to the Agreement actually expended by Contractor;
- 17.2.0 If the Contractor ceases conducting business in the normal course, becomes insolvent, makes a general assignment for the benefit of creditors, suffers or permits the appointment of a receiver for its business or assets, or avails itself of or becomes subject to any proceeding under the Federal Bankruptcy Act or any statute of any state relating to insolvency or the protection of rights of creditors, NYS, in its sole discretion, may terminate the Agreement or may exercise such other remedies as shall be available under the Agreement, at law and/or equity;
- 17.3.0 No delay or omission to exercise any right, power or remedy accruing to NYS or DCS upon breach or default by the Contractor under the Agreement shall impair any such right, power or remedy, or shall be construed as a waiver of any such breach or default, or any similar breach or default thereafter occurring, nor shall any waiver of a single breach or default be deemed a waiver of any subsequent breach or default. All waivers must be in writing;
- 17.4.0 If, due to default that remains uncured for the period provided herein, a third party shall commence to perform Contractor's obligations under the Agreement, NYS shall thereafter be released from all obligations to Contractor hereunder, including any obligation to make payment to Contractor, provided however that NYS shall continue to be obliged to pay for any and all Project Services provided prior to any such date. If NYS employs a third party to perform Contractor's obligations under the Agreement, Contractor shall be liable for the payment of any cost differential that NYS incurs as a result of having to employ such third party to cure or resolve the issue;
- 17.5.0 In the event of the Contractor's default, in addition to availing itself of specific remedies set forth in the Agreement, NYS may pursue all legal and equitable remedies for breach. In addition to pursuing any other legal or equitable remedies, NYS shall have the right to take one or more of the following actions:
- 1) terminate the Agreement in whole or in part;
 - 2) suspend, in whole or in part, payments due Contractor under the Agreement; and
 - 3) pursue equitable remedies to compel Contractor to perform.

The Contractor shall be liable for any and all excess costs for remedies pursued by NYS, and for costs incurred by NYS in procuring alternate Services;

- 17.6.0 For Violation of Procurement Lobbying Law. DCS reserves the right to terminate the Agreement in the event it is determined by DCS in its sole discretion that the certification filed by the

Contractor in accordance with §139-j and/or §139-k of the New York State Finance Law was intentionally false or intentionally incomplete. Upon such finding, DCS may, at its sole option, exercise its termination right by providing ten (10) days written notification to the Contractor, or providing notice in accordance with other written notification terms in the Agreement;

- 17.7.0 For Violation of Section 5-a of the Tax Law. DCS reserves the right to terminate the Agreement in the event that Contractor fails to file a certification pursuant to section 5-a of the Tax Law or the Tax Department or OFT discovers that the certification(s) filed by the Contractor pursuant to section 5-a of the Tax Law is/are false. Upon such finding(s), DCS may exercise its termination right by providing written notification to the Contractor;
- 17.8.0 Termination Notice. Notices required by this section shall be provided consistent with Appendix B, Section 9 of this Agreement; and
- 17.9.0 Mitigation of Costs. The Contractor shall not undertake any additional or new contractual obligations on or after the date of return receipt notice without the prior written approval of NYS. On or after the date of return receipt notice and during the termination notice period, the Contractor shall take all commercially reasonable and prudent actions to close out unnecessary outstanding, existing obligations as economically as possible for NYS.

ARTICLE XVIII: TRANSITION

- 18.1.0 The State may require the Contractor to provide uninterrupted Project Services after Agreement termination/expiration as NYS deems reasonable and necessary and/or as necessary for NYS to comply with all legal requirements for establishing a new contract to continue the provision of Project Services ("Transition Period"). Transition Services, as defined in 18.5.0 shall be governed as follows:
- 18.2.0 Transition Period. The transition period shall be determined by NYS, and Contractor will be notified of the period in writing. The State shall consult with the Contractor prior to making such determination. The State reserves the right to subsequently amend the transition period upon thirty (30) days advance written notice to the Contractor.
- 18.3.0 No Interruption in Service. At all times during the transition period and unless directed otherwise in writing by NYS, the Contractor shall continue all contractual obligations set forth in the Agreement until such time as NYS (i) has approved the Contractor's proposed transition plan, and (ii) an orderly transition to NYS, a third party, or the successor contractor has been completed pursuant to the approved transition plan. The Contractor shall be required to meet its contractual obligations pursuant to this paragraph notwithstanding the issuance of a termination for cause or convenience by NYS.
- 18.4.0 Transition Plan. Within fifteen (15) days of receipt of a notice of termination or three (3) months prior to the end of the term of the Agreement, whichever event occurs first, the Contractor shall provide for approval by NYS a detailed written plan for Transition ("Transition Plan") which outlines, at a minimum, the tasks, milestones and deliverables associated with the smooth transition of Services to NYS, a third party or the successor contractor. Contractor agrees to amend the Transition Plan to include all other information deemed necessary by NYS.
- 18.5.0 Contractor Transition Services. "Transition Services" shall be deemed to include the Contractor's responsibility for all tasks and services outlined in the Agreement, including Task #3 GASB 45 Valuation and any Task #4 Ad Hoc project(s) requested at the sole discretion of the Department and commenced prior to the scheduled termination of the Agreement. Transition Services shall also include the Contractor transferring, in a planned manner specified in the Transition Plan, all tasks and services to the State, a third party or the successor contractor. To the extent possible, the Department agrees not to initiate a Task #4 Ad Hoc project prior to the scheduled termination of the Agreement, if it cannot reasonably be completed prior to termination, and not to initiate a new

Task #4 Ad Hoc project during the Transition Period. It is expressly agreed between the Parties that the level of service during the Transition Period shall be maintained in accordance with and shall be subject to all the terms and conditions of the Agreement, provided, however, that where, during the Transition Period, tasks or services are transitioned to or assumed by the State, a third party or the successor contractor, Contractor shall not be held responsible for the negligent acts or negligent omissions of the State, a third party or the successor contractor or for service degradation resulting from the negligent acts or negligent omissions of the State, a third party or the successor contractor.

18.6.0 Compensation for Transition Services. Contractor shall be reimbursed for Transition Services performed during the Transition Period at the rates set forth in the Agreement.

18.7.0 State Responsibilities for Transition. The State shall assume responsibility for Transition project management. A project manager responsible for coordinating Transition activities, maintaining the transition task schedule, and approving transition deliverables shall be appointed.

ARTICLE XIX: CONTRACTOR QUALIFICATIONS AND KEY PERSONNEL

19.1.0 The Contractor warrants that all employees, subcontractors or agents performing work under the Agreement shall meet or exceed the technical or other qualifications set forth in the Agreement. Contractor acknowledges that the skill and experience of Contractor personnel proposed to be assigned to the scope of work set forth in the Agreement is a material element in executing the Agreement. Therefore, in order to ensure timely and cohesive completion of the services, both Parties intend that key personnel initially assigned to the scope of work will continue through work completion. Key personnel will be identified in writing.

19.2.0 Once an individual designated as key personnel has been approved by NYS and assigned to provide services under the Agreement, such individual will not thereafter, absent written approval by the Department, be removed by Contractor, or reassigned by Contractor to other duties involving comparable employment by Contractor while the services are in progress and for so long as there has been no voluntary suspension of services due to force majeure lasting for a period of longer than ten (10) Business Days.

19.3.0 Circumstances may arise, however, which necessitate personnel to be substituted during the provision of services due to delays in awarding the contract, suspensions for force majeure, or lack of funding, or other such State causes, or due to promotions, termination, sickness, vacation or other similar material change in the employment circumstance of the employee, at which time a replacement of comparable background and experience may be substituted by the Contractor, subject to approval of NYS.

19.4.0 The State may refuse access to or require replacement of any individual if such individual renders, in the sole judgment of NYS, inadequate or unacceptable performance of services, or for any other reason NYS finds such individual does not meet its security or responsibility requirements of NYS.

ARTICLE XX: SECURITY RESPONSIBILITIES AND FEDERAL OR STATE DISCLOSURE PROHIBITIONS

20.1.0 The Contractor shall maintain the security, nondisclosure and confidentiality of all information in accordance with the following clauses in performance of its activities under the Agreement. Contractor shall ensure that its personnel, agents, officers and subcontractors, if any are fully aware of the obligations arising under this section and shall take all commercially reasonable steps to ensure compliance. The Agreement may be terminated for cause by the Department for a material breach of this Article XX.

20.1.1 Security Responsibilities:

Contractor warrants, covenants and represents that it shall comply fully with all security procedures and policies of NYS, which procedures and policies are communicated to

the Contractor by DCS during the performance of the Agreement, including but not limited to Article X of this Agreement and Department's Information Security Policy (See RFP [Appendix O](#)). Contractor shall hold NYS harmless from any loss or damage to NYS resulting from the violation by the Contractor, its officers, agents, employees, and subcontractors, if any of such security procedures or policies resulting from any criminal acts committed by such officers, agents, employees, and subcontractors, while performing services under the Agreement.

20.1.2 Federal or State Disclosure Prohibitions:

In the event that it becomes necessary for Contractor to receive Confidential Information, which Federal or State statute or regulation prohibits from disclosure, Contractor hereby agrees to return or destroy all such Confidential Information that has been received from NYS when the purpose that necessitated its receipt by Contractor has been completed. In addition, Contractor agrees not to retain any Confidential Information which Federal or State statute or regulation prohibits from disclosure after termination of the Agreement.

Notwithstanding the foregoing, if the return or destruction of the Confidential Information is not feasible, Contractor agrees to extend the protections of the Agreement for as long as necessary to protect the Confidential Information and to limit any further use or disclosure of that Confidential Information. If Contractor elects to destroy Confidential Information, it shall use reasonable efforts to achieve the same and notify NYS accordingly. Contractor agrees that it will use all appropriate safeguards to prevent any unauthorized use or unauthorized disclosure of Confidential Information, which Federal or State statute or regulation prohibits from disclosure.

Contractor agrees that it shall immediately report to the Department the discovery of any unauthorized use or unauthorized disclosure of such Confidential Information. The State may terminate the Agreement if it determines that Contractor has violated a material term of this Article XX. The terms of this Article XX shall apply equally to Contractor, its agents and subcontractors, if any. Contractor agrees that all subcontractors, if any and agents shall be made aware of and shall agree to the terms of this Article XX.

ARTICLE XXI: DEPARTMENT ACCEPTANCE OF DELIVERABLES

21.1.0 Each final deliverable prepared by the Contractor associated with a given task is subject to Department review and acceptance. The Department will evaluate each final deliverable submitted by the Contractor for conformity and compliance to its stated scope, functionality or purpose. The Department shall have the right to accept or reject each final deliverable. If the Department rejects a final deliverable, the Department's Contract Manager will so notify the Contractor within five (5) Business Days of the Department's receipt of the final deliverable and forward its comments to the Contractor outlining deficiencies noted. At the Department's sole discretion, the Contractor will be provided with an opportunity to correct the deficiency(ies) cited by the Department, and resubmit the final deliverable for Department acceptance within a timeframe established by the Department. Any resubmission of a rejected final deliverable shall include responses to all Department comments, in addition to corrections for the noted deficiencies. Resubmitted final deliverables will likewise be subject to Department acceptance of rejection. The Department will evaluate each correction made by the Contractor and either accept or reject the resubmitted final deliverable. If the Department rejects a resubmitted final deliverable, the Department's Contract Manager will so notify the Contractor within five (5) Business Days of the Department's receipt of the resubmitted final deliverable and forward its

comments to the Contractor outlining deficiencies noted. The Department may provide verbal comments to the Contractor, during, and in addition to, the formal deliverable review process described above. If the Contractor does not receive Department approval of a final deliverable or resubmitted final deliverable, if applicable, the Contractor will return any monies paid associated with the task for which the deliverable was prepared. If the Department does not notify the Contractor within five (5) Business Days of its acceptance or rejection of a final deliverable or resubmitted final deliverable, if applicable, then the final deliverable or resubmitted deliverable, if applicable shall be deemed to have been accepted by the Department.

ARTICLE XXII: NOTICES

22.1.0 All notices permitted or required hereunder shall be in writing and shall be transmitted either:

- (a) via certified or registered United States mail, return receipt requested;
- (b) by facsimile transmission;
- (c) by personal delivery;
- (d) by expedited delivery service; or
- (e) by e-mail.

Such notices shall be addressed as follows or to such different addresses as the parties may from time-to-time designate:

State of New York Department of Civil Service

Name:

Title:

Address:

Telephone Number:

Facsimile Number:

E-Mail Address:

[Contractor Name]

Name:

Title:

Address:

Telephone Number:

Facsimile Number:

E-Mail Address:

22.2.0 Any such notice shall be deemed to have been given either at the time of personal delivery or, in the case of expedited delivery service or certified or registered United States mail, as of the date of first attempted delivery at the address and in the manner provided herein, or in the case of facsimile transmission or email, upon receipt.

22.3.0 The Parties may, from time to time, specify any new or different address in the United States as their address for purpose of receiving notice under this Agreement by giving fifteen (15) days written notice to the other party sent in accordance herewith. The parties agree to mutually designate individuals as their respective representatives for the purposes of receiving notices under this Agreement. Additional individuals may be designated in writing by the parties for purposes of implementation and administration/billing, resolving issues and problems and/or for dispute resolution.

ARTICLE XXIII: DATA SHARING AND OWNERSHIP

23.1.0 All claims, enrollment and other data (i.e., materials) provided to the Contractor by the Department or a third party under contract with Department is being provided to the Contractor solely for the purposes of allowing the Contractor to fulfill its duties and responsibilities under

the Agreement and said materials are the sole property of the NYS. Except as directed by a court of competent jurisdiction, or as necessary to comply with applicable New York State or federal law, the Contractor shall not share, sell, release, or make the materials available to third parties in any manner without the prior consent of the Department. This provision shall survive the expiration or termination of the Agreement.

23.2.0 Within thirty (30) days after the termination or expiration of the Agreement for any reason, the Contractor agrees to return to the Department all data provided to the Contractor by the Department or a third party under contract with Department or, if return is not feasible, destroy any and all such data. In the event returning or destroying such data is not feasible, the Contractor shall provide written notification to the Department of the conditions that make the return or destruction not feasible, in which case, the Contractor must continue to protect such data in perpetuity.

ARTICLE XXIV: MERGERS/ACQUISITIONS

24.1.0 The Contractor's obligations to perform under the Agreement shall not be affected or impaired by any reorganization, consolidation or merger to which the Contractor is, or may become, a party. In any such event, the Contractor shall continue to be bound by, and shall perform under, all terms and conditions set forth herein.

ARTICLE XXV: RESPONSIBILITY TERMS

25.1.0 The Contractor covenants and represents that it has, to the best of its knowledge, truthfully and thoroughly completed Contractor's Vendor Responsibility Questionnaire (hereinafter "Vendor Responsibility Questionnaire") provided to the Contractor by the Department prior to execution of the Agreement. The Contractor further covenants and represents that as of the date of execution of the Agreement, there are no material events, omissions, changes, or corrections to such document requiring an amendment to the Vendor Responsibility Questionnaire.

25.2.0 The Contractor shall provide to the Department updates to the Vendor Responsibility Questionnaire if any material event(s) occurs requiring an amendment or as new information material to such Vendor Responsibility Questionnaire becomes available.

25.3.0 Notwithstanding 25.2.0 hereinabove, the Department reserves the right, in its sole discretion, at any time during the term of the Agreement, (i) to require updates or clarifications to the Vendor Responsibility Questionnaire upon written request, (ii) to inquire about information included in or require information omitted from the Vendor Responsibility Questionnaire, and (iii) to require Contractor to provide such information to the Department within a reasonable timeframe.

25.4.0 The Department reserves the right to make a final determination of Contractor's non-responsibility (hereinafter "Determination of Non-responsibility") at any time during the term of the Agreement based on (i) any information provided in the Vendor Responsibility Questionnaire and/or in any updates, clarifications, or amendments thereof; or (iii) the Department's discovery of any other material information which pertains to Contractor's responsibility.

25.5.0 If the Department preliminarily determines Contractor to be non-responsible, the Department shall provide written notice to Contractor detailing the reason(s) for the preliminary determination, and shall provide Contractor with an opportunity to be heard.

25.6.0 Upon a Determination of non-responsibility of Contractor, the Department reserves the right to terminate the Agreement in accordance with Article XVII.

ARTICLE XXVI: ALL LEGAL PROVISIONS DEEMED INCLUDED

26.1.0 It is the intent and understanding of the Parties to the Agreement that each and every provision of law required to be inserted in the Agreement shall be and is inserted herein. Furthermore, it is hereby stipulated that every such provision is to be deemed to be inserted herein, and if,

through mistake or otherwise, any such provision is not inserted, or is not inserted in correct form, then the Agreement shall forthwith upon the application of either Party be amended by such insertion so as to comply strictly with the law without prejudice to the rights of either Party hereunder.

ARTICLE XXVII: ENTIRE AGREEMENT

27.1.0 The Agreement and the appendices, exhibits and attachments hereto constitute the entire agreement between the Parties hereto and no statement, promise, condition, understanding, inducement, or representation, oral or written, expressed or implied, which is not contained herein shall be binding or valid. The Agreement shall not be changed, modified, or altered in any manner except by an instrument in writing executed by the Parties hereto.

IN WITNESS WHEREOF, the Parties hereto have hereunto signed this AGREEMENT on the day and year appearing opposite their respective signatures.

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK)

Agency Code: 08000
Contract Number: C000612

Agency Certification: "In addition to the acceptance of this Agreement, I also certify that original copies of this signature page will be attached to all exact copies of this Agreement."

**NEW YORK STATE
DEPARTMENT OF CIVIL SERVICE**

[CONTRACTOR]

Name: _____

Name: _____

Title: _____

Title: _____

By: _____

By: _____

Date: _____

Date: _____

INDIVIDUAL, CORPORATE OR PARTNERSHIP ACKNOWLEDGMENT

STATE OF _____ }
 :
COUNTY OF _____ } **SS.:**

On the ____ day of _____ in the year 2012, before me personally appeared:

_____, known to me to be the person who executed the foregoing instrument, who, being duly sworn by me did depose and say that _he resides at

_____, Town of _____,

County of _____, State of _____; and further that:

[Check One]

(**If a corporation**): _he is the _____ of _____, the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.

(**If a partnership**): _he is the _____ of _____,

_____ the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for the purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name and on behalf of said partnership as the act and deed of said partnership.

Notary Public

Approved as to form:
Eric T. Schneiderman
ATTORNEY GENERAL

Approved:
Thomas P. DiNapoli
STATE COMPTROLLER

By: _____

By: _____

Date: _____

Date: _____

SECTION 7 GLOSSARY

Term	Definition
§	means Section.
AG	means the New York State Attorney General's Office.
Benefits Option Transfer Period	means the period of time (usually November) of each year when employees and retirees are allowed to change from one health insurance option to another.
Best Value	means the basis for awarding a contract for services to a responsible and responsive Offeror, who can best <i>optimize quality, cost and efficiency</i> .
Business Day	means Monday through Friday, excluding NYS Holidays that fall on a weekday.
Contract or Agreement	means the agreement entered into between the Parties resultant from this RFP.
Contract Effective Date	means the date that the Contract is approved by the New York State Office of the State Comptroller.
Commissioner	means the Commissioner of the New York State Department of Civil Service or Acting Commissioner if there is no current Commissioner.
Contractor	means the successful Offeror selected as a result of the evaluation of Offerors' Proposals submitted in response to this RFP and who executes a contract with the Department to provide Project Services.
CSL	means New York State Civil Service Law.
Day(s)	means calendar days unless otherwise noted.
Department or DCS	means the New York State Department of Civil Service.
DOB	means the New York State Division of the Budget.
EEO	means the Federal Equal Employment Opportunities Act.
Empire Plan	means the experience-rated health plan administered by the NYS Department of Civil Service to provide health insurance benefits for the employees, retirees and eligible dependents of New York State and NYSHIP Participating Agencies and Participating Employers. It has four components, the Medical Program, the Hospital Program, the Managed Mental Health and Substance Abuse Program, and the Prescription Drug Program.
Employee Benefits Division (EBD)	means the division of the New York State Department of Civil Service responsible for administering the New York State Health Insurance Program (NYSHIP).
ET	means prevailing Eastern Time.
GOER	means the New York State Governor's Office of Employee Relations.
HMO	means one of the health maintenance organizations which participate in the New York State Health Insurance Program.
Joint Labor Management Committee (JLMC)	means a committee consisting of representatives of NYS' collective bargaining units, the Department of Civil Service (DCS), and the Governor's Office of Employee Relations (GOER) which is charged with the responsibility to cooperatively develop and oversee administration of health care programs for State-represented employees and to make mutually agreed upon changes to health insurance plan benefits.
Key Subcontractors	means those vendors with whom the Contractor subcontracts to provide Project Services and incorporates as a part of the Contractor's Project Management Team.
MWBE	means Minority- and Women-Owned Business Enterprises.

Term	Definition
New York State Health Insurance Program (NYSHIP)	means the health insurance program established by NYS to provide health insurance protection to employees, retirees and eligible dependents of New York State and participating agencies and participating employers. The program is administered by the NYS Department of Civil Service. NYSHIP provides health insurance coverage through the Empire Plan, Health Maintenance Organizations (HMOs); and the Student Employee Health Plan (SEHP).
Normal Business Hours	means Monday – Friday between the hours of 7:00 a.m. and 5:00 p.m. ET, excepting NYS Holidays that fall on a weekday.
NYBEAS	means the New York Benefits Eligibility & Accounting System, a computerized enrollment system utilized by the Department for the administration of employee benefits.
NYS	means the State of New York (including the New York State Department of Civil Service).
NYS Holidays	means: <ul style="list-style-type: none"> • Christmas Day; • Columbus Day; • Election Day; • Independence Day; • Labor Day; • Lincoln's Birthday; • Martin Luther King Day; • Memorial Day; • New Year's Day; • President's Day; • Thanksgiving Day; and • Veteran's Day.
Offeror	means any responsible and eligible entity submitting a responsive Proposal to this RFP. It shall be understood that references in the RFP to "Offeror" shall include said entity's proposed subcontractor, if any.
OSC	means the New York State Office of the State Comptroller.
Participating Agency (PA)	means any unit of local government such as school districts, special districts, or district or municipal corporations that elects with the approval of the President of the Civil Service Commission, to participate in the New York State Health Insurance Program.
Participating Employer (PE)	means any public authority, public benefit corporation, or other agency subdivision or quasi-public organization of NYS that elects, with the approval of the President of the Civil Service Commission, to participate in the New York State Health Insurance Program.
Plan	means the Empire Plan.
Plan Sponsor	means the Council on Employee Health Insurance which is composed of the President of the Civil Service Commission, Director of the Governor's Office of Employee Relations, and the Director of Division of the Budget.
Plan Year	means the period from January 1 to December 31 of each year, unless specified otherwise by the Department.
President	means the President of the Civil Service Commission and the Commissioner of the Department.

Term	Definition
Project Services	means the entire scope of actuarial and benefits management services to be provided by the Contractor pursuant to the terms and conditions of the Contract.
Project Management Team	means the Contractor and those Key Subcontractors, if any, utilized by the Contractor who collectively undertake and perform the Project Services which are the subject of the Agreement.
Proposal or Submissions	means the Offeror's Administrative Proposal, Technical Proposal and Cost Proposal, submitted during the course of the procurement process including all responses to supplemental requests for clarification, information, and documentation.
RFP or Procurement	means the Request for Proposals entitled "Actuarial and Benefits Management Consulting Services", dated April 18, 2012.
Student Employee Health Plan (SEHP)	means a health insurance plan for graduate student employees of the New York State University and the New York City University systems that provides benefits through the various Empire Plan Insurance Contracts. Like the Empire Plan, the SEHP includes hospital, medical, managed mental health and substance abuse benefits, and prescription drug benefits. SEHP is administered by the New York State Department of Civil Service, Employee Benefits Division.

ATTACHMENT 1 OFFEROR'S AFFIRMATION OF UNDERSTANDING AND AGREEMENT

(Link [§2.01.1](#) & [§2.02.7](#))

Attachment 1 – Page 1 of 3

Part 1 of this Attachment 1, as contained on the following page, should be completed by the Offeror and emailed, faxed and/or mailed to the ABMC Procurement Manager as set forth in RFP [§2.01.1](#).

Part 2 of this Attachment should, prior to initiating any contact with the Department, be completed for each Offeror officer, employee, agent or consultant retained, employed or designated, by or on behalf of the Offeror to appear before or contact the Department in regards to this Procurement and submit it to the ABMC Procurement Manager specified in RFP [§2.01.1](#).

Attachment 1 – Part 1

Offeror’s Affirmation of Understanding and Agreement

Instructions:

Pursuant to State Finance Law §§139-j and 139-k, this solicitation imposes certain procurement lobbying limitations. Offerors are restricted from making contacts during the procurement’s “Restricted Period” (from the earliest written notice, advertisement or solicitation of a request for proposal, invitation for bids, or solicitation of proposals, or any other method for soliciting a response from Offerors intending to result in a procurement contract with a governmental entity and ending with the final contract award and approval by the governmental entity and, where applicable, approval by the State Comptroller) to other than designated staff, unless the contact falls within certain statutory exceptions (“permissible contacts”). DCS employees are required to obtain certain information from Offerors and others whenever there is a contact about the procurement during the Restricted Period, and are required to make a determination of the Offeror’s responsibility that addresses the Offeror’s compliance with the statutes’ requirements. Findings of non-responsibility result in rejection for contract award, and if an Offeror is subject to two non-responsibility findings within four years the Offeror also will be determined ineligible to submit a proposal on or be awarded a contract for four years from the date of the second non-responsibility finding. Further information about these requirements can be found at:

<http://www.ogs.state.ny.us/aboutOGS/regulations/defaultAdvisoryCouncil.html>.

As a prerequisite for participating in this procurement, an Offeror must provide the following Affirmation of Understanding and Agreement to comply with these procurement lobbying restrictions in accordance with State Finance Law §§139-j and 139-k.

Offeror Affirmation and Agreement	
The Offeror affirms that it understands the procurement lobbying requirements set forth in State Finance Law §§139-j and 139-k, and agrees to comply with the DCS’ procedures regarding permissible contacts as required thereby.	
Name of Offeror:	
By:	
	(Signature)
Name:	
Title:	
Address:	
Date:	

Attachment 1 – Part 2

Offeror Designated Contact	
First Name	
Last Name	
Company Name	
Company Address:	
Street Address	
City	
State	
Zip	
Individual's Business Telephone # (xxx) xxx-xxxx	
Principal Place of Business (1)	
Individual's Occupation	

(1) Enter the location of the individual's Principal Place of Business (e.g. Albany, NY)

Complete the table above for each Offeror officer, employee, agent or consultant retained, employed or designated, by or on behalf of the Offeror to appear before or contact the Department in regards to this Procurement, prior to the individual initiates any contact with the Department, and submit it to the ABMC Procurement Manager specified in [§2.01.1](#) of the RFP.

ATTACHMENT 2 NOTICE OF BIDDING INTENTION FORM

(Link [§2.01.4](#))

[Attachment 2](#) – Page 1 of 1

**NYS Department of Civil Service
RFP No. 2012ABMC-1,
"ACTUARIAL AND BENEFITS MANAGEMENT CONSULTING SERVICES"**

Notice of Bidding Intention Form

(Please PRINT Firm's Name Above)

With regard to this RFP, (check one of the following boxes applicable):

- We **ARE INTERESTED & MAY** submit a Proposal.
- We **ARE NOT INTERESTED & WILL NOT** be submitting a Proposal because:

INTEREST IN M/WBE SUBCONTRACTING POSTING:

(Check box if applicable)

- Our firm is a NYS certified M/WBE interested in a subcontracting opportunity. Please add our firm's contact information, indicated at the top of this Form, to the list of certified M/WBE subcontractors that have expressed interest in this Procurement. The list will be posted on Department's web page for this Procurement. The NYS M/WBE certification documentation for our firm is attached

Name of Contact at Firm

Title

_____/_____/_____

Date

Complete the tables above and submit it to the ABMC Procurement Manager specified in RFP [§2.01.1](#). The completed table may be emailed, faxed and/or mailed (see addresses provided in RFP [§2.01.1](#)).

ATTACHMENT 3 QUESTION TEMPLATE(Links [§2.01.5](#) & [§2.01.6](#))[Attachment 3](#) – Page 1 of 1

**NYS Department of Civil Service
RFP No. 2012ABMC-1,
"ACTUARIAL AND BENEFITS MANAGEMENT CONSULTING SERVICES"**

Questions Template

Question Number	RFP Page #	Section and Sub-Section Reference	Question

Offerors are requested to use the Question Template table above in submitting questions. Offerors' questions must be submitted to the ABMC Procurement Manager at the address specified in RFP [§2.01.1](#), with an electronic copy of the Offeror's questions sent to the ABMC Procurement Manager's attention at the email address provided therein.

APPENDIX A Standard Clauses for New York State Contracts

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. Appendix A, dated December 2011

A PDF version of the document is embedded below:



Appendix A.pdf

APPENDIX B Standard Clauses for All DCS Contracts

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. Appendix B, dated May 2011

A PDF version of the document is embedded below:



APPENDIX C Third Party Connection and Data Exchange Agreement

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. Appendix C, dated April 2006

A PDF version of the document is embedded below:



Appendix C.pdf

APPENDIX D Participation by Minority Group Members and Women With Respect to State Contracts: Requirements and Procedures

(Link [§2.02.3](#))

Participation by Minority Group Members and Women With Respect to State Contracts: Requirements and Procedures

The provisions stated herein this [Appendix D](#), entitled "[Participation by Minority Group Members and Women With Respect to State Contracts: Requirements and Procedures](#)" are required for all "State contracts", as defined in §310 of Article 15-A of the NYS Executive Law as set forth below, entered into by the Department:

"13. "State contract" shall mean: (a) a written agreement or purchase order instrument, providing for a total expenditure in excess of twenty-five thousand dollars, whereby a contracting agency is committed to expend or does expend funds in return for labor, services including but not limited to legal, financial and other professional services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; (b) a written agreement in excess of one hundred thousand dollars whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; and (c) a written agreement in excess of one hundred thousand dollars whereby the owner of a state assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project."

Notwithstanding the above, per §317 of Article 15-A the NYS Executive Law, nothing contained in this [Appendix D](#) "shall be construed to limit, impair, or otherwise restrict any state agency's authority or discretionary power in effect prior to the enactment of this Article to establish or continue, by rule, regulation or resolution, an equal opportunity program or a program for securing participation of minority and women-owned business enterprises with regard to banking relationships, the issuance of insurance policies or contracts for the sale of bonds, notes or other securities; and, provided further, that nothing contained in the immediately preceding proviso shall be construed to create, impair, alter, limit, modify, enlarge, abrogate or restrict any agency's authority or discretionary power with respect to an equal opportunity program or a program for securing participation of minority and women-owned enterprises."

I. General Provisions

- A. The Department is required to implement the provisions of New York State Executive Law Article 15-A and 5 NYCRR Parts 142-144 ("MWBE Regulations") for all "State contracts" as defined therein, with a value (1) in excess of \$25,000 for labor, services, equipment, materials, or any combination of the foregoing or (2) in excess of \$100,000 for real property renovations and construction.
- B. Contractor agrees, in addition to any other nondiscrimination provision of the Contract and at no additional cost to the New York State Department (the "Department"), to fully comply and cooperate with the Department in the implementation of New York State Executive Law Article 15-A. These requirements include equal employment opportunities for minority group members and women ("EEO") and contracting opportunities for certified minority and women-owned business enterprises ("MWBEs"). Contractor's demonstration of "good faith efforts" pursuant to 5 NYCRR §142.8 shall be a part of these requirements. These provisions shall be deemed

supplementary to, and not in lieu of, the nondiscrimination provisions required by New York State Executive Law Article 15 (the "Human Rights Law") or other applicable federal, state or local laws.

- C. Failure to comply with all of the requirements herein may result in a finding of non-responsiveness, non-responsibility and/or a breach of contract, leading to the withholding of funds or such other actions, liquidated damages pursuant to section VII of this Appendix or enforcement proceedings as allowed by the Contract.

II. Contract Goals

- A. For purposes of the Procurement that results in the Contract, the Department established an overall goal for Minority and Women-Owned Business Enterprises ("MWBE") participation, and separate Minority-Owned Business Enterprises ("MBE") participation and Women-Owned Business Enterprises ("WBE") participation goals (based on the current availability of qualified MBEs and WBEs) as set forth in the Procurement solicitation document.
- B. For purposes of providing meaningful participation by MWBEs on the Contract and achieving the Contract Goals established in section II-A above, Contractor should reference the directory of New York State Certified MBWEs found at the following internet address:

<http://www.nylovesmwbe.ny.gov/cf/search.cfm>

Additionally, Contractor is encouraged to contact the Division of Minority and Woman Business Development ((518) 292-5250; (212) 803-2414; or (716) 846-8200) to discuss additional methods of maximizing participation by MWBEs on this Contract.

- C. Where MWBE goals have been established herein, pursuant to 5 NYCRR §142.8, Contractor must document "good faith efforts" to provide meaningful participation by MWBEs as subcontractors or suppliers in the performance of the Contract. In accordance with section 316-a of Article 15-A and 5 NYCRR §142.13, the Contractor acknowledges that if Contractor is found to have willfully and intentionally failed to comply with the MWBE participation goals set forth in the Contract, such a finding constitutes a breach of contract and the Contractor shall be liable to the Department for liquidated or other appropriate damages, as set forth herein.

III. Equal Employment Opportunity (EEO)

- A. Contractor agrees to be bound by the provisions of Article 15-A and the MWBE Regulations promulgated by the Division of Minority and Women's Business Development of the Department of Economic Development (the "Division"). If any of these terms or provisions conflict with applicable law or regulations, such laws and regulations shall supersede these requirements.
- B. Contractor shall comply with the following provisions of Article 15-A:
 - 1. Contractor and subcontractors shall undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, EEO shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation.
 - 2. The Contractor shall submit an EEO policy statement to the Department within seventy two (72) hours after the date of the notice by Department of proposed award of the Contract to the Contractor.
 - 3. If Contractor or subcontractor does not have an existing EEO policy statement, the Department may provide the Contractor or subcontractor a model statement (see Form EEO-

102 entitled "Minority and Women-Owned Business Enterprises M/WBE - Equal Employment Opportunity (EEO) Policy Statement.

4. The Contractor's EEO policy statement shall include the following language:
 - a. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability or marital status, will undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination, and shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force.
 - b. The Contractor shall state in all solicitations or advertisements for employees that, in the performance of the contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.
 - c. The Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union, or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.
 - d. The Contractor will include the provisions of sections (a) through (c) of this subsection 4 and paragraph "E" of this section III, which provides for relevant provisions of the Human Rights Law, in every subcontract in such a manner that the requirements of the subdivisions will be binding upon each subcontractor as to work in connection with the Contract.
- C. Form EEO-100 – EEO Staffing Plan
To ensure compliance with this section III, the Contractor shall submit an EEO Staffing Plan to document the composition of the proposed workforce to be utilized in the performance of the Contract by the specified categories listed, including ethnic background, gender, and Federal occupational categories. The Contractor shall complete the EEO Staffing Plan form and submit it as part of its Proposal or within a reasonable time, but no later than the time of proposed award of the Contract.
- D. Form EEO-101 - Workforce Utilization/Compliance Report ("Workforce Report")
 1. Once proposed contract award has been made and during the term of Contract, Contractor is responsible for updating and providing notice to the Department of any changes to the previously submitted EEO Staffing Plan. This information is to be submitted on a quarterly basis during the term of the Contract to report the actual workforce utilized in the performance of the Contract by the specified categories listed including ethnic background, gender, and Federal occupational categories. The Workforce Report must be submitted to report this information.
 2. Separate forms shall be completed by Contractor and any subcontractor performing work on the Contract.
 3. In limited instances, Contractor may not be able to separate out the workforce utilized in the performance of the Contract from Contractor's and/or subcontractor's total workforce. When a separation can be made, Contractor shall submit the Workforce Report and indicate that the information provided related to the actual workforce utilized on the Contract. When the

workforce to be utilized on the Contract cannot be separated out from Contractor's and/or subcontractor's total workforce, Contractor shall submit the Workforce Report and indicate that the information provided is Contractor's total workforce during the subject time frame, not limited to work specifically under the Contract.

- E. Contractor shall comply with the provisions of the Human Rights Law, all other State and Federal statutory and constitutional non-discrimination provisions. Contractor and subcontractors shall not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

IV. MWBE Utilization Plan Form (MWBE-100) and Certification of Good Faith Efforts (MWBE-104).

- A. The Contractor represents and warrants that Contractor has submitted an MWBE Utilization Plan (form MWBE-100) either prior to, or at the time of, the execution of the Contract. The Contractor shall ensure that enterprises have been identified within the MWBE Utilization Plan, and the Contractor shall attempt, in good faith, to utilize such enterprise(s) at least to the extent indicated in the Contractor's MWBE Utilization Plan. The Contractor must document "good faith efforts" to provide meaningful participation by New York State Certified MWBE subcontractors or suppliers in the performance of the Contract. In support of such efforts, the Contractor will include with its MWBE-100 submission a Certification of Good Faith Efforts statement (form MWBE-104).
- B. Contractor agrees to use such MWBE Utilization Plan for the performance of MWBEs on the Contract pursuant to the prescribed MWBE goals set forth in section III-A of this [Appendix D](#).
- C. Contractor further agrees that a failure to submit and/or use such MWBE Utilization Plan shall constitute a material breach of the terms of the Contract. Upon the occurrence of such a material breach, Department shall be entitled to any remedy provided herein, including but not limited to, a finding of Contractor non-responsiveness.

V. Waiver Requests (MWBE-101)

- A. For Waiver Requests Contractor should use Form MWBE-101 – Request for Waiver Form.
- B. If the Contractor, after making good faith efforts, is unable to comply with MWBE goals, the Contractor may submit a Request for Waiver Form documenting good faith efforts by the Contractor to meet such goals. If the documentation included with the Waiver Request is complete, the Department shall evaluate the request and issue a written notice of acceptance or denial within twenty (20) days of receipt.
- C. If the Department, upon review of the MWBE Utilization Plan and updated Quarterly M/WBE Contractor Compliance Reports determines that Contractor is failing or refusing to comply with the Contract goals and no waiver has been issued in regards to such non-compliance, the Department may issue a notice of deficiency to the Contractor. The Contractor must respond to the notice of deficiency within seven (7) business days of receipt. Such response may include a request for partial or total waiver of MWBE Contract Goals.

VI. Quarterly M/WBE Contractor Compliance Report (Form MWBE-103)

Contractor is required to submit a Quarterly M/WBE Contractor Compliance Report (Form MWBE-103) to the Department by the 10th day following each end of quarter over the term of the Contract documenting the progress made towards achievement of the MWBE goals of the Contract.

VII. Liquidated Damages - MWBE Participation

- A. Where Department determines that Contractor is not in compliance with the requirements of the Contract and Contractor refuses to comply with such requirements, or if Contractor is found to have willfully and intentionally failed to comply with the MWBE participation goals, Contractor shall be obligated to pay to the Department liquidated damages.
- B. Such liquidated damages shall be calculated as an amount equaling the difference between:
1. All sums identified for payment to MWBEs had the Contractor achieved the contractual MWBE goals; and
 2. All sums actually paid to MWBEs for work performed or materials supplied under the Contract.
- C. In the event a determination has been made which requires the payment of liquidated damages and such identified sums have not been withheld by the Department, Contractor shall pay such liquidated damages to the Department within sixty (60) days after they are assessed by the Department unless prior to the expiration of such sixtieth day, the Contractor has filed a complaint with the Director of the Division of Minority and Woman Business Development pursuant to subdivision 8 of section 313 of the Executive Law in which event the liquidated damages shall be payable if Director renders a decision in favor of the Department.

VII. Further Information:

General questions concerning New York's MWBE program should be directed to:

New York State Department of Economic Development
633 Third Avenue
New York, NY 10017
Telephone: (212) 803-2414

New York State Department of Economic Development
Division of Minority and Women's Business Development
30 South Pearl Street
Albany, NY 12245
Telephone: (518) 292-5150

All of the EEO and M/WBE forms referenced herein this [Appendix D](#) are available for download at the Department's website at: <http://www.cs.ny.gov/pio/mwbe-eeo-forms.cfm>). These forms are to be submitted without change to the goals specified by Department in the Contract.

Attachments:

1. EEO Staffing Plan (form EEO-100)
2. Workforce Utilization/Compliance Report (form EEO-101)
3. Minority and Women-Owned Business Enterprises M/WBE - Equal Employment Opportunity (EEO) Policy Statement (EEO-102)
4. MWBE Utilization Plan (form MWBE-100)
5. Request for Waiver Form (form MWBE-101)
6. Quarterly M/WBE Contractor Compliance Reports (MWBE-103)
7. Certification of its Good Faith Efforts (form MWBE-104)

APPENDIX E Overview of NYSHIP and Other Benefits

(Link [S1.01](#))

The New York State Health Insurance Program ("NYSHIP") was established by the New York State Legislature in 1957 to provide health insurance protection to New York State employees, retirees and their eligible dependents. Subsequent amendment to NYS Civil Service Law and collective bargaining agreements provided for the inclusion of the Dental and Vision Plans. Public authorities, public benefit corporations, and other quasi-public entities, such as the NYS Thruway Authority and the Dormitory Authority may choose to participate in NYSHIP; those that do are called Participating Employers ("PEs"). Article XI of the NYS Civil Service Law also allows local units of government such as school districts, special districts, and municipal corporations to participate in NYSHIP; those local government units which choose to participate in NYSHIP are called Participating Agencies ("PAs"). At present, there are approximately 378 NYS agencies, 93 Participating Employers, and 811 Participating Agencies in NYSHIP.

NYSHIP is designed to provide health insurance coverage through the Empire Plan, a Participating Provider Organization ("PPO") with managed care components; the Excelsior Plan, a version of the Empire Plan; ten (10) Health Maintenance Organizations ("HMOs"); and through the Student Employee Health Plan ("SEHP"), a health insurance plan for graduate student employees of the State University system. NYS and PE employees and retirees may elect to enroll in either the Empire Plan or in one of several HMOs offered through NYSHIP. Effective July 1, 2008, NYSHIP implemented a new lower cost option called the "Excelsior Plan" available only to Participating Agencies. This plan is insured and administered by the Empire Plan carriers and replaced the PA Core Options effective January 1, 2009. NYSHIP offers only the Empire Plan and Excelsior Plan to PAs. Separate from NYSHIP, PAs may, and frequently do, offer HMOs directly to their own employees and retirees as an alternative to Empire Plan coverage.

There are currently 10 HMOs that have been approved for participation in NYSHIP. Consistent with New York State law, the HMOs are community-rated. While NYSHIP establishes certain minimum coverage requirements, the content of the benefit packages offered by the HMOs are not otherwise dictated by NYSHIP or affected by collective bargaining.

NYSHIP currently covers over 591,700 NYS, PA and PE employees and retirees. Eligible covered Dependents bring the total number of covered lives in NYSHIP (Empire Plan, Excelsior Plan, HMOs and SEHP inclusive) to approximately 1,230,000.

The Employee Benefits Division also administers the Dental and Vision Plans for those groups of State employees and PEs that elect to participate in the programs. Dental and Vision plan enrollees are, for the most part, also enrolled in NYSHIP for health insurance coverage through either the Empire Plan or one of the NYSHIP participating HMOs.

The Empire Plan, Excelsior Plan, and Student Employee Health Plan

The Empire Plan is a comprehensive health insurance program for New York's public employees and their families. The Empire Plan is sponsored by the Council on Employee Health Insurance ("CEHI"). The Council is composed of the President of the Civil Service Commission, the Director of the Governor's Office of Employee Relations ("GOER"), and the Director of the Division of the Budget ("DOB"). The Department holds the contracts with the Empire Plan Insurers. The Employee Benefits Division of the Department of Civil Service is responsible for the administration of The Empire Plan. The Empire Plan currently has over 530,000 Enrollees with approximately 1,000,000 covered lives. The Empire Plan benefit design has four (4) components:

1. Hospital Program benefits that include coverage for inpatient stays and hospital outpatient and emergency care. This Program is currently insured and administered by Empire HealthChoice Assurance, Inc. d/b/a Empire BlueCross BlueShield ("EBCBS");

2. Medical Program benefits that include coverage for medical and surgical services under the Participating Provider and the Basic Medical Programs and includes several specialty programs. This Program is currently insured and administered by United HealthCare Insurance Company of New York ("UHC");

3. Prescription Drug Program benefits that include coverage for prescription drugs dispensed through retail network pharmacies, through the mail service pharmacy process and through non-participating pharmacies. This Program is currently insured and administered by UHC with Medco Health Solutions, Inc. ("Medco"), serving as the Pharmacy Benefit Manager ("PBM"). The Department's current contract expires on 12/31/2013.; and

4. Managed Mental Health and Substance Abuse Program benefits that include coverage for inpatient and outpatient mental health and substance abuse services through network and non-network providers. This Program is currently insured by UHC with network administration, managed care services, and claims administration provided by the Behavioral Healthcare Administrator ("BHA"), OptumHealth, Inc. (Optum). The Department's current contract expires on 12/31/2013.

The benefit design of the Empire Plan is the result of collective bargaining between the State and the various unions representing its employees. Benefits are extended administratively to non-represented State employees, employees of Participating Agencies, and Participating Employers, and retirees. Therefore, the benefit design is subject to change from time to time as the result of those negotiations, and there are variations in the Program design among the bargaining units. The benefit design cannot deviate from that which has been collectively bargained. The majority of the active NYS work force is represented by ten (10) bargaining agents, and union participation in the design and oversight of the State's health insurance program is active and ongoing. Those unions are:

- Civil Service Employees Association ("CSEA"), AFSCME, AFL-CIO representing clerical, institutional, operational and military and naval affairs employees;
- Public Employees Federation ("PEF"), AFL-CIO representing professional, scientific and technical employees;
- United University Professions ("UUP") representing professors and professional staff in the State University System;
- Council 82 AFSME, AFL CIO ("C82") representing Security Supervisors Unit ("SSPU") comprised of supervisory security services employees;
- Police Benevolent Association of New York State, Inc. ("PBANYS") representing Agency Law Enforcement Services Unit ("ALESU") comprised of employees with police duties and responsibilities who are employed by the Department of Environmental Conservation, Office of Parks, Recreation and Historic Preservation, and the State University of New York;
- New York State Correction Officers and Police Benevolent Association ("NYSCOPBA") representing state security personnel (other than State Police) and institution safety officers;
- Police Benevolent Association of the New York State Troopers, Inc. ("PBA") representing troopers in the Division of State Police and majors, captains, lieutenants and various levels of sergeants responsible for supervising troopers and investigators;
- New York State Professional Investigators Association ("NYSPIA") U.U.P.A., AFL-CIO representing investigators and senior investigators in the Division of State Police;

- District Council 37 AFSCME, AFL-CIO ("DC-37") representing employees of the Division of Housing and Community Renewal; and
- Graduate Student Employees Union/Communication Workers of America ("GSEU/CWA"), representing teaching assistants and graduate student assistants who are employed by the State University of New York ("SUNY"), primarily at the four State University Centers located in Albany, Binghamton, Buffalo, and Stony Brook, NY.

Additional information regarding benefits negotiated with the unions and extended to non-represented state employees can be found at:

http://www.goer.state.ny.us/Labor_Relations/index.cfm

In addition to the Empire Plan, NYSHIP affords benefits to members of the Student Employee Health Plan ("SEHP") through the Empire Plan insurance contracts. The SEHP was established in 1994 through collective bargaining. The SEHP became part of NYSHIP in 2002 to provide basic health insurance protection to graduate student employees of the State University of New York and their eligible Dependents. SEHP benefits were extended to graduate student employees of the City University of New York (CUNY) on January 1, 2009. Like the Empire Plan, the SEHP includes hospital, medical, managed mental health and substance abuse benefits, and prescription drug benefits. SEHP is administered by the New York State Department of Civil Service, Employee Benefits Division. SEHP covers an average of 5,250 employees; their eligible covered Dependents bring the total number of average covered lives to approximately 6,800.

The Excelsior Plan is administered by the New York State Department of Civil Service, Employee Benefits Division. The Excelsior Plan currently covers an average of 244 enrollees; their eligible covered Dependents bring the average covered lives to approximately 448.

Enrollment counts by contract types as of March 2012, are included in RFP [Appendix X](#).

Other Benefits Administered by the Department of Civil Service

The Department administers a number of additional benefits for employees, retirees and other covered populations including the NYS Vision Care Plan, NYS Dental Program, Management/Confidential Group Life Insurance Plan, New York State Public Employee and Retiree Long Term Care Insurance Plan ("NYS PERL"), NYS Income Protection Program ("IPP"), and the NYS Workers' Compensation Program for State employees. Most of these programs are on a 5-year reprocurement schedule. Brief descriptions of these benefits and the covered populations follow:

1. **New York State Vision Care Plan** [currently administered by Davis Vision, Inc.]: This Plan currently covers approximately 103,000 Enrollees, including certain employees of NYS and employees of 20 Participating Employers. Dependent family members bring the total number of covered individuals to approximately 261,000. Since its inception in 1982, the Plan has been a self-funded Plan.

The goal of the Vision Care Plan is to offer quality vision care services at little or no cost to eligible employees and their covered dependents. Services are available from participating providers as well as non-participating providers. For those who obtain covered services from non-participating providers, partial reimbursement is available based on a fixed Indemnity Reimbursement Schedule.

2. **New York State Dental Program** [currently insured by GHI]: The Dental Program currently covers approximately 107,000 Enrollees, including certain employees of New York State and employees of 32 Participating Employers. Dependent family members bring the total number of covered individuals to approximately 272,000. This program accounts for approximately \$78 million annually in premiums.

The Dental Program offers the GHI Preferred Plan which consists of a statewide network of Participating Providers (dentists and specialists) who accept the Preferred Plan Schedule of Allowances as payment in full. Enrollees may also choose to obtain services from Non-Participating Providers, pay the dentist directly and then be reimbursed based on the Preferred Plan Schedule of Allowances. Annual maximums, deductibles, co-insurance amounts and covered services vary depending on coverage provisions for the respective covered group.

A Retiree Dental Plan is also available. The current Retiree Dental Program covers approximately 9,800 Enrollees and their eligible dependents. The Retiree Plan provides benefits similar, though not identical, to those found in the Preferred Plan. Retirees are responsible for the entire premium.

3. **Management/Confidential Group Life Insurance Plan** [currently insured by MetLife, Inc.]: The NYS Management/Confidential Group Life Insurance Plan was established by the NYS Civil Service Law to provide Group Term Life Insurance and accident and sickness protection to NYS employees designated Managerial/Confidential and their dependents. Other specified public employees, such as Legislative, Judicial and those of Participating Employers and Participating Agencies can participate in the group life insurance plan. The M/C Group Life Insurance Plan currently provides Group Term Life Insurance and Accidental Death and Dismemberment Insurance for eligible Enrollees and Dependents on an employee-pay-all basis. Enrollees are allowed to continue their Group Term Life Insurance coverage, which may be at a reduced benefit amount, after retirement.

At present, the Group Term Plan covers public employees of over 400 public employers. Of the employees eligible for the Group Term Plan, approximately 12,100 are currently enrolled for coverage. Of these, approximately 5,100 provide life insurance coverage for their spouses and 3,000 Enrollees provide coverage for their children. Approximately 4,600 of the total enrollment are retirees who continue their coverage either by direct payments to the Department or through pension deductions.

There are approximately 27 employees enrolled in the Accident and Sickness Insurance ("A&S") component of the Group Term Plan. New enrollment in the A&S was closed in 1986, when the State began providing an income protection plan which includes short-term and long-term disability benefits (see #5 below for further detail) to this group of employees.

Life Insurance coverage options are a fixed amount (\$5,000, \$10,000, or \$15,000) or a multiple of salary, up to five times annual salary, with a maximum \$500,000 of coverage. Accidental Death and Dismemberment and Common Carrier Accidental Death are also covered in addition to the standard life insurance.

4. **New York State Public Employee and Retiree Long Term Care Insurance Plan ("NYPERL")** [currently insured and administered by MedAmerica Insurance Company]: The New York State Public Employee and Retiree Long Term Care Insurance Plan ("NYPERL") provides comprehensive long term care insurance that includes home care, assisted living facility care, adult day care and nursing facility care. Benefits are paid for covered services up to a selected daily benefit amount and lifetime benefit amount.

NYS employees, retirees and certain family members are eligible to apply for this Plan. Also, vestees who are enrolled in the State's health insurance plan and their eligible family members may apply for coverage. Acceptance into the Plan is subject to evidence of insurability for all but active employees during a specified open-enrollment period.

NYPERL provides two long-term care Plans: NYPERL Premier and NYPERL Premier NYS Partnership. The Plans are similar except that a key feature of the NYPERL Partnership Plan allows the enrollee to retain personal assets and access Medicaid Extended Coverage once the NYPERL Partnership benefits are exhausted.

5. **NYS Income Protection Plan** [insured and administered by MetLife, Inc.]: The New York State Income Protection Plan ("IPP") was established by Section 159 and 159-a of the Civil Service Law and 4 NYCRR Part 78 to provide eligible employees a disability program that provides short and long-term disability protection. At the time of the IPP's implementation, eligible employees hired prior to January 1, 1986, or with prior creditable service, were required to choose between traditional sick leave (short-term protection offered by the sick leave system) or opt for the IPP which provides comprehensive short and long term protection. The IPP became mandatory for employees (without prior creditable service) hired on or after January 1, 1986. Employees are eligible if they belong to one of the designated groups, are annual salaried and are scheduled to work at least half time. Eligible designated groups of employees include Management/Confidential (unrepresented employees in management or confidential positions), rent regulation services unit (employees represented by District Council 37, AFSCME), certain Legislative employees, and Special Enrollees (special titles not covered by the Attendance and Leave Rules and Employees/Members of the Legislature).

Although the IPP is referred to as a single program, it consists of two distinct parts: a Short-Term Disability ("STD") component; and a Long-Term Disability ("LTD") component. STD benefits are paid on a weekly basis, and LTD benefits are paid monthly. Any benefits received under the IPP are subject to NYS and Federal income taxes. Currently, approximately 9,400 employees are enrolled in the IPP.

6. **The New York State Workers' Compensation ("WC") Benefit** [self-funded and administered by New York State Insurance Fund]: The Department oversees the administration of the State's WC benefit for all covered State employees. Pursuant to Section 88-c of the Workers' Compensation Law, the New York State Insurance Fund ("Fund") functions as the State's workers' compensation insurance carrier.

The law provides coverage for medical treatment, including pharmaceuticals, for employees in need of treatment for occupational injury or illness with no out-of-pocket expense to employees. In addition to medical benefits, employees receive indemnity benefits or wage replacement when injured and out of work due to a work related illness or injury. This wage replacement is calculated at two-thirds of the employees' average weekly wage and is subject to a weekly capped amount which is updated annually.

New York State as an employer has extended negotiated enhancements to the mandatory statutory benefits to State employees. These added benefits include supplemental pay and continuation of normal payroll benefits, such as health insurance, retirement contributions and employer contributions to employee benefit funds for eligible employees.

Financing - Empire Plan and HMO Premium/Rate Setting Processes

NYSHIP is financed through premium payments from a variety of sources, including the State, PAs, PEs, active and retired Enrollees, dependent survivors, Young Adult Dependent (YAD) and COBRA Enrollees. NYS employees are required to contribute toward the cost of their coverage. The contribution rates are set for NYS employees through the collective bargaining process. As a result of recent collective bargaining negotiations, for certain groups the employer's share of the premium for employees in salary grades 10 and above is capped at 84% percent of the Empire Plan premium associated with the employee's coverage and 69 percent of the Empire Plan premium for dependent coverage; for employees in salary grade 9 and below the premium is capped at 88% percent of the Empire Plan premium associated with the employee's coverage and

73% percent of the Empire Plan premium for dependent coverage. For other groups the employer's share of the premium is capped at 90 percent of the Empire Plan premium associated with the employee's coverage and 75 percent of the Empire Plan premium for dependent coverage; however these percentages are subject to change due to ongoing collective bargaining negotiations.

Each PA determines the share of premium paid by its employees within limits set by NYSHIP. By far, the largest share of premium is paid by State and PA budget revenue. Premium expenditures for the State's contributions are closely monitored and controlled by the Council on Employee Health Insurance.

Civil Service Law requires that the Department purchase insurance for the purpose of providing health benefits. Unit premium rates are negotiated annually with the Empire Plan's carriers; the aggregate annual plan cost is a function of enrollment. Currently, the Empire Plan is experience rated and fully participating. Dividends are paid to the Health Insurance Fund and remitted to plan participants through credits in subsequent years, while deficits may be recouped from a subsequent year's surplus or amortized over a mutually agreed upon period. Reserves for open and unreported claims may be held by the State. Agreements with Empire Plan carriers contain cash management provisions under which the program earns or is charged interest based on the balance in a dedicated cash account into which premium is paid and from which expenses are drawn. Recently passed legislation has allowed the Department to consider self-funding of the Empire Plan for future procurement initiatives.

NYS law requires HMOs to be community rated. The premium paid to HMOs participating in NYSHIP is based on these community rates.

NYSHIP's premium in 2010 amounted to approximately \$6.7 billion for all participants, of which \$0.67 billion was for State employees and retirees enrolled in HMOs.

NYSHIP Empire Plan experience and HMO premium data for Calendar Years 1998 through 2011 is included in RFP [Appendix Y](#).

APPENDIX F Procurement Lobbying Policy: Restrictions on Contacts during the Procurement Process

(Link [S2.01.2](#))

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. [Appendix F](#), dated April 2011

A PDF version of the document is embedded below:



Policy on Restrictions
on Contacts During th

APPENDIX G Submission of Errors or Omission(Link [§2.01.3](#))**Appendix G**
Page 1 of 1**Submission of Errors or Omissions**

By participating in activities related to this Procurement, and/or by submitting a Proposal in response to the Solicitation Instrument (i.e., RFP or IFB, as applicable), prospective Offerors and Offerors agree to be bound by its terms, including, but not limited to, this process by which a prospective Offeror may submit errors or omissions for consideration. In the event that a prospective Offeror believes there is an error or omission in the Solicitation Instrument, the prospective Offeror may raise such issue according to the following provisions:

a. Process for Submitting Assertions of Errors or Omissions in a Solicitation Instrument

- (1) **Time Frame:** Assertions of errors or omissions in the Solicitation Instrument which are or should have been apparent prior to the Proposals Due Date and Time must be received by the Department, in writing, five (5) Business Days after the Issue Date of Official Responses to Offeror Questions as specified in the Solicitation Instrument.
- (2) **Content:** The submission alleging the error or omission must clearly and fully state the legal and/or factual grounds for the assertion and must include all relevant documentation.
- (3) **Format of Submission:** All submissions asserting an error or omission must be in writing and submitted to the Department's designated procurement manager for the given procurement at the address set forth in the Solicitation Instrument.

The envelope or package must clearly and prominently display the following statement:

**"Submission of Errors or Omissions for the
New York State Department of Civil Service's
Procurement entitled, [Enter Name of RFP or IFB],
Reference # [Enter RFP or IFB Ref. No.],
dated [Enter RFP or IFB date]"**

Any assertion of an error or omission which does not conform to the requirements set forth in herein this [Appendix G](#) shall be deemed waived by the prospective Offeror and the prospective Offeror shall have no further recourse.

b. The Review Process for Assertions of Errors or Omissions in a Solicitation Instrument

The Department shall conduct the review process for submission of errors or omissions. The Commissioner may appoint a designee who will review the submission and make a recommendation to the Commissioner as to the disposition of the matter. The Commissioner's designee may be an employee of the Department but, in any event, shall be someone who has not participated in the preparation of the Solicitation Instrument, the evaluation of Proposals, or the selection decision. At the discretion of the Commissioner, or the Commissioner's designee, the prospective Offeror may be given the opportunity to meet with the Commissioner or his designee, as the case may be, to support its submission. The prospective Offeror may, but need not, be represented by counsel at such a meeting. Any and all issues concerning the manner in which the review process is conducted shall be determined solely by the Commissioner or the Commissioner's designee.

The Commissioner, or the Commissioner's designee, shall review the matter, and the Commissioner shall issue a written decision within twenty (20) Business Days after the close of the review process. If additional time for the issuance of the decision is necessary, the prospective Offeror shall be advised of the delay and of the time frame within which a decision may be reasonably expected. The Commissioner's decision will be communicated to the party in writing and shall constitute the agency's final determination in the matter.

The Department reserves the right to determine and to act in the best interests of the State in resolving any assertion of error or omission in the Solicitation Instrument. As a consequence of reviewing the assertion, the Department may elect to extend the Proposal Due Date and Time as may be appropriate. Notice of any such extension will be provided to all organizations who were sent a copy of the Solicitation Instrument.

APPENDIX H NYS Department of Civil Service Debriefing Guidelines

(Link [§2.01.11](#))

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. [Appendix H](#), dated April 2011

A PDF version of the document is embedded below:



Debriefing
Guidelines.pdf

APPENDIX I Submission of Award Protests

(Link [§2.01.12](#))

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. [Appendix I](#), dated April 2011

A PDF version of the document is embedded below:



Submission of Award
Protests.pdf

APPENDIX J ST-220-CA – Contractor Certification to Covered Agency

(Link [§2.02.9](#))

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. [Appendix J](#), dated June 2006

A PDF version of the document is embedded below:



APPENDIX K ST-220-TD – Contractor Certification Pursuant Section 5-A of the Tax Law

(Link [§2.02.9](#))

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. [Appendix K](#), dated May 2007

A PDF version of the document is embedded below:



ST220TD.pdf

APPENDIX L State Consultant Services "Form A" (Full Contract Term) (Adm-985)

(Link [§2.02.11](#))

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. [Appendix L](#), dated June 2006

A PDF version of the document is embedded below:



Form A .pdf

APPENDIX M State Consultant Services "Form B" (Annual Submission) (Adm-986)

(Link [§2.02.11](#))

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. [Appendix M](#), dated June 2006

A PDF version of the document is embedded below:



Form B.pdf

APPENDIX N Compliance with NYS Workers' Compensation Law

Sections 57 and 220 of the New York State Workers' Compensation Law (WCL) provide that DCS shall not enter into any contract unless proof of workers' compensation and disability benefits insurance coverage is produced. Prior to entering into a contract with DCS, the selected Offeror will be required to verify for DCS, on forms authorized by the New York State Workers' Compensation Board, the fact that they are properly insured or are otherwise in compliance with the insurance provisions of the WCL. The forms to be used to show compliance with the WCL are listed below. Any questions relating to either workers' compensation or disability benefits coverage should be directed to the State of New York Workers' Compensation Board, Bureau of Compliance at (518)486-6307. The Offeror may also find useful information at their website <http://www.wcb.state.ny.us>. Failure to provide verification of either of these types of insurance coverage by the time the winning Offeror is selected and the Agreement is ready to be executed will be grounds for disqualification of an otherwise successful Proposal.

Workers' Compensation Requirements under WCL § 57:

To comply with coverage provisions of the WCL, businesses must:

- A) be legally exempt from obtaining workers' compensation insurance coverage; or
- B) obtain such coverage from insurance carriers; or
- C) be a Board-approved self-insured employer or participate in an authorized group self-insurance plan.

To assist State and municipal entities in enforcing WCL Section 57, businesses requesting permits or seeking to enter into contracts **MUST provide ONE** of the following forms to the government entity issuing the permit or entering into a contract:

- A) CE-200, Certificate of Attestation of Exemption from NYS Workers' Compensation and/or Disability Benefits Coverage⁽¹⁾; **OR**
- B) C-105.2 -- Certificate of Workers' Compensation Insurance (the business's insurance carrier will send this form to the government entity upon request) **PLEASE NOTE:** The State Insurance Fund provides its own version of this form, the U-26.3; **OR**
- C) SI-12 -- Certificate of Workers' Compensation Self-Insurance (the business calls the Board's Self-Insurance Office at 518-402-0247), **OR** GSI-105.2 -- Certificate of Participation in Worker's Compensation Group Self-Insurance (the business's Group Self-Insurance Administrator will send this form to the government entity upon request).

Disability Benefits Requirements under Workers' Compensation Law §220(8)

To comply with coverage provisions of the WCL regarding disability benefits, businesses may:

- A) be legally exempt from obtaining disability benefits insurance coverage; or
- B) obtain such coverage from insurance carriers; or
- C) be a Board-approved self-insured employer.

Accordingly, to assist State and municipal entities in enforcing WCL Section 220(8), businesses requesting permits or seeking to enter into contracts **MUST provide ONE** of the following forms to the entity issuing the permit or entering into a contract:

- A) CE-200, Certificate of Attestation of Exemption from NYS Workers' Compensation and/or Disability Benefits Coverage⁽¹⁾; **OR**
- B) DB-120.1 -- Certificate of Disability Benefits Insurance (the business's insurance carrier will send this form to the government entity upon request); **OR**
- C) DB-155 -- Certificate of Disability Benefits Self-Insurance (the business calls the Board's Self-Insurance Office at 518-402-0247).

⁽¹⁾ Starting December 1, 2008, Form CE-200 can be filled out electronically on the Board's website, www.wcb.state.ny.us, under the heading "Forms." Applicants filing electronically are able to print a finished Form CE-200 immediately upon completion of the electronic application. Applicants without access to a computer may obtain a paper application for the CE-200 by writing or visiting the Customer Service Center at any District Office of the Workers' Compensation Board. Applicants using the manual process may wait up to four weeks before receiving a CE-200. Once the applicant receives the CE-200, the applicant can then submit that CE-200 to the government agency from which he/she is getting the permit, license or contract.

APPENDIX O Department Of Civil Service Information Security Policy

Placeholder for hardcopy of the following document as set forth at this section of the Agreement:

1. [Appendix O](#) dated October 2005

A PDF version of the document is embedded below:



APPENDIX P Sample Carrier Rate Renewal Report**Appendix P**
Page 1 of 2

		<u>Page #</u>
EXECUTIVE SUMMARY MEDICAL PROGRAM		1
A.	Estimated Financial Experience F.Y.E. 12/31/2011 Combined, Core, NY Enhancements & PA Enhancements	A - 1
B.	Projected Financial Experience F.Y.E. 12/31/2012 Combined, Core, NY Enhancements & PA Enhancements Blended Implementation	B - 1
C.	Medical Trend Statistics Narrative – Comprehensive Analysis Historical Claim Costs Basic Medical and Par Provider Trend Statistics Basic Medical Trend Statistics Par Provider Trend Statistics Trend Statistics 2010 and 2011 2012 Trend Statistics	C - 1 C - 6 C - 7 C - 8 C - 9 C - 10 C - 12
D.	Projection of 2010 Incurred Claims Narrative Incurred Claims Comparison Participating Provider Chart Basic Medical Chart Projected 2010 Claims Incurred – Participating Provider Projected 2010 Claims Incurred – Basic Medical Projected 2010 Claims Incurred – Participating Provider + Basic Medical Inventory Adjustment Chart Determination of 12/31/2010 O&U Reserve 2007 Determination of the Claims Runout Expense Factor Determination of 12/31/2011 O&U Reserve Blended Implementation Core, NY and PA Enhancement Claim Splits	D - 1 D - 3 D - 4 D - 5 D - 6 D - 7 D - 8 D - 9 D - 10 D - 11 D - 12 D - 13
E.	Paid Claims Narrative 2007 Projected Net Claims Paid 2007 Paid Claims Reconciliation, Schedule of Estimated Paid Claims (F.Y.E. 12/31/2010) & Net Incurred Claims 2007 & 2008 Projected Number of Claims Split 2008 Projected Claims Paid: Blended Implementation 2008 Paid Claims Reconciliation, Schedule of Estimated Paid Claims (F.Y.E. 12/31/2011) & Net Incurred Claims	E - 1 E - 2 E - 3 E - 4 E - 5 E - 6
F.	Expenses Narrative Functional Breakdown Administrative Expense Analysis Administrative Expense Detail F.Y.E. 12/31/2010 Combined, Core, NY & PA Blended Implementation Estimated Expense Detail F.Y.E. 12/31/2011 Combined, Core, NY & PA	F - 1 F - 22 F - 23 F - 24

Blended Implementation

F – 25

	Cash Flow Accounting	
	2010	F – 26
	2011	F – 27
	Schedule of Items Billed PEPM, PIPM or Per Participant	
	2011	F – 28
	2012	F – 29
G.	Copayment Savings	
	Narrative	G – 1
	2010 and January to July 2011	G – 2
H.	Renewal Recommendation	
	Based on Basic/Par Splits - All Groups Implement Ben. Changes	H – 1a
	Based on Basic/Par Splits - No Groups Implement Ben. Changes	H – 1b
	Based on Basic/Par Splits – Blended Implementation	H – 1c
	Based on Employee/Dependent Splits	
	All Groups Implement Benefit Changes	H – 2a
	Based on Employee/Dependent Splits	
	No Groups Implement Benefit Changes	H – 2b
	Based on Employee/Dependent Splits	
	Blended Implementation	H – 2c
	2011 Normalized Claims Incurred	
	All Groups Implement Benefit Changes	H – 3a
	2011 Normalized Claims Incurred	
	No Groups Implement Benefit Changes	H – 3b
	2011 Normalized Claims Incurred	
	Blended Implementation	H – 3c
I.	Required Rate Scenario: Effective 1/1/2011 & Projected 1/1/2012	
	All Groups Implement Benefit Changes	I – 1a
	No Groups Implement Benefit Changes	I – 1b
	Blended Implementation	I – 1c
J.	Premium for 2012	
	Premium Estimate Based on Renewal Rates	
	All Groups Implement Benefit Changes	
	No Groups Implement Benefit Changes	
	Blended Implementation	J – 1
	Estimated Number of Contracts	
	Blended Implementation	J – 2
K.	Executive Summary Report	
	Executive Summary	K – 1
	Financial Performance	K – 3
	High Cost Claimants	K – 6
	Top MDC Groupings	K – 7
	Adequacy of Benefits	K – 16
	Distribution of Payments	K – 17
	Network Utilization	K – 20
	Contracted Discounts	K – 21
	Utilization Summary	K – 22
	Financial Performance – Medicare vs. Non-Medicare	K – 44
	Glossary	K – 45

APPENDIX Q Standard Carrier Reports

Appendix Q – Page 1 of 4

EMPIRE PLAN STANDARD CARRIER REPORTS				
2012 SCHEDULE OF PRESCRIPTION DRUG REPORTS				
	<u>Report Name</u>	<u>Frequency</u>	<u>Due Date</u>	<u>Type</u>
1	Annual Financial Statement	Annually	March 15th	Paper & Electronic
2	Annual Rate Renewal	Annually	September 1st	Paper & Electronic
3	Quarterly Statement of Experience	Quarterly	15th day after end of quarter	Paper & Electronic
4	Quarterly COB Report	Quarterly	30th day after end of quarter	Electronic
5	Quarterly Rebates/Pharma Revenue Report	Quarterly	150 days after end of quarter	Electronic
6	Monthly Cash Flow	Monthly	15th day after end of month	Electronic
	<u>MIS Reports</u>			
7	Claims Paid by Agency	Annually	January 31st	Electronic
8	Monthly Paid Claims by Month of Incurral	Monthly	30 days after end of month	Electronic
9	Monthly Paid Claims by Pharmacy and Rx Type	Monthly	30 days after end of month	Electronic
10	PA Mediprime Claims	Quarterly	30 days after end of quarter	Electronic

EMPIRE PLAN STANDARD CARRIER REPORTS				
2012 SCHEDULE OF HOSPITAL REPORTS				
	Report Name	Frequency	Due Date	Type
1	Annual Financial Statement	Annually	March 15th	Paper & Electronic
2	Annual Rate Renewal	Annually	September 1st	Paper & Electronic
3	Quarterly Statement of Experience	Quarterly	23rd day after end of quarter	Paper & Electronic
4	Quarterly Trend Statistics Report	Quarterly	35th day after end of quarter	Paper & Electronic
5	Quarterly Administrative Report (includes Medicare & COB Savings)	Quarterly	30th day after end of quarter	Paper & Electronic
6	Monthly Reports:			
7	Monthly Cash Flow Report	Monthly	15th day after end of month	Electronic
	<u>MIS Reports</u>			
8	Monthly Paid Claims by Month of Incurral	Monthly	15th day after end of month	Electronic
9	PA Mediprime Claims	Quarterly	15th day after end of quarter	Electronic
10	Quarterly Paid Claims by Type of Service	Quarterly	15th day after end of quarter	Electronic
11	Claims Paid by Agency	Annually	January 31st	Electronic

EMPIRE PLAN CARRIER STANDARD REPORTS				
<u>2012 SCHEDULE OF Mental Health Substance Abuse REPORTS</u>				
	<u>Report Name</u>	<u>Frequency</u>	<u>Due Date</u>	<u>Type</u>
1	Annual Financial Statement	Annually	March 15th	Paper & Electronic
2	Annual Rate Renewal	Annually	September 1st	Paper & Electronic
3	Quarterly Statement of Experience	Quarterly	15th day after end of quarter	Paper & Electronic
4	Monthly Cash Flow Report	Monthly	15th day after end of month	Electronic
5	Monthly Claim Production Report	Monthly	15th day after end of month	Electronic
6	Monthly Triangle Report	Monthly	15th day after end of month	Electronic
7	Monthly Coordination of Benefits Report	Monthly	15th day after end of month	Electronic
8	Copayment Savings Report	Monthly	15th day after end of month	Electronic
<u>MIS Reports</u>				
9	Monthly Paid Claims by Month of Incurral	Monthly	15th day after end of month	Electronic
10	Quarterly Paid Claims by Service Type	Quarterly	15th day after end of quarter	Electronic
11	PA Mediprime File	Quarterly	15th day after end of quarter	Electronic
12	Claims Paid by Agency	Annually	January 31 st	Electronic

EMPIRE PLAN STANDARD CARRIER REPORTS				
<u>2012 SCHEDULE OF MEDICAL REPORTS</u>				
	<u>Report Name</u>	<u>Frequency</u>	<u>Due Date</u>	<u>Type</u>
1	Annual Financial Statement	Annually	March 15th	Paper & Electronic
2	Annual Rate Renewal	Annually	September 1st	Paper & Electronic
3	Quarterly Statement of Experience	Quarterly	15th day after end of quarter	Paper & Electronic
4	Executive Summary & Quarterly Trend Statistics Report	Quarterly	23 rd day after end of month	Electronic
5	Monthly Paid Claim Summary Report	Monthly	15th day after end of month	Electronic
6	Monthly Production Report	Monthly	15th day after end of month	Electronic
7	Monthly # Claims Submitted Electronically Report	Monthly	15th day after end of month	Electronic
8	Monthly Claim Statistics Report	Monthly	15th day after end of month	Electronic
9	Monthly Core/Enhancement Report	Monthly	15th day after end of month	Electronic
10	Monthly Triangle Report	Monthly	15th day after end of month	Electronic
11	Monthly Cash Flow Report	Monthly	15th day after end of month	Electronic
	<u>MIS Reports</u>			
12	Monthly Claim Report	Monthly	15th day after end of month	Electronic
13	Claims Paid by Agency	Annually	January 31st	Electronic
14	PA Mediprime Claims	Quarterly	23rd day after end of quarter	Electronic

APPENDIX R Sample Call Letter**Appendix R**
Page 1 of 2

August XX, 2011

Dear:

This letter outlines the documentation United HealthCare Service Corp. (UHSC) is required to provide in support of any January 1, 2012, premium rate change for the NYSHIP Medical contract. UHSC should quote its requested Core, NY Enhancement and PA Enhancement rates as well as the rates for the Student Employee Health Plan (SEHP). As in the past, a separate, self-supporting rate must be developed for each rate component.

2012 Premium Rate Adjustment

The standard documentation to support a January 1, 2012 premium rate adjustment must include, at a minimum:

- Projected 2011 and 2012 experience statements with earned premium presented on a 2 tier (individual and family) basis.
- Historical (2007 to 2010) and projected (2011 to 2012) aggregate trend including cost per charge, number of charges per 1000 contracts and cost per contract. Trends for the Participating Provider and Major Medical experience should be presented separately and in the aggregate.
- A detailed justification to support all trend projections including comparisons with Corporate and industry trends.
- Detailed worksheets presenting the development of the Plan Year 2011 and 2012 aggregate incurred claims including adjustments for any plan benefit changes, trend, Par Provider Schedule recommendations, and credits.
- A worksheet cross footing the respective 2011 and 2012 paid claims and reserves to the incurred claims.
- Support the factors used to allocate total claims (incurred, paid and reserves) into the various components (Core, NY Enhancement and PA Enhancement).
- Calculation of any backlog adjustment.
- Identify and quantify all factors contributing to the projected 2011 dividend/(loss), if any.
- Declaration of any preliminary 2011 dividend.
- Detailed development, with narrative, to support all projected administrative expenses and other elements of retention for 2011 and 2012. An itemization of the various components of the administrative expense should be provided, including the calculation of any rate driven component (i.e. if the cost is calculated on a per member per month basis, present RATE X # MEMBERS X 12).
- Projected reserves for the periods ending 12/31/2011 and 12/31/2012.

In developing the 2012 rates, three experience pools should be utilized (Core, NY Enhancement and PA Enhancement). In determining the respective individual and family rates, the experience should be separated between enrollee and dependent. Three sets of rates need to be developed - (1) assuming plan changes implemented 1/1/05, were done for all groups, (2) assuming no plan changes were implemented for all groups effective 1/1/05, (3) based on the blended experience of all groups with only NYSCOPBA Unsettled Titles (benefit programs A48 and C48), Council-82 (benefit programs A50 and C50) and ALESU (benefit programs A51 and C51) at the pre-2005 benefit level. The rate development presentation of the three rates should be similar to that used in the 2011 2nd quarterly report. These rates will establish the basis for charging the groups with plan changes, the groups without plan changes and the plan premium liability. In addition, the premium rates for the SEHP need to be developed separately based on the program benefits and experience.

Although the State will require a reapportionment of the individual and family rates charged to the Participating Agencies into a structure which recognizes the difference in costs between Mediprime and Planprime enrollees, UHSC is not now required to submit any information regarding such in the original rate renewal submission. Once we reach agreement with regard to the required 2012 baseline premium level, Mediprime rates will be developed by the State and discussed with UHSC.

Review Schedule

The rate renewal request is due to the State by September 4th. The renewal document should also be sent to the "Benefits Management Consultant" at such time. My office has set up a meeting on September 11th at 9:30 a.m. at the Department of Civil Service to enable the Corporation to brief the staff of the Health Insurance Council on its rate request. The presentation to the Joint Labor Management Committee has been scheduled for September 24th. The location and time will be confirmed at a later date. Additional meetings and briefings will be scheduled as necessary in order to reach agreement on the 2012 premium level.

Please contact me if you have any questions concerning the requested documentation or tentative timetable. Thank you for your cooperation in this regard.

Sincerely,

Assistant Director
Contract Services

APPENDIX S Sample Carrier Quarterly Report**Outline of Medical Carrier Report on Quarterly Experience****Outline of Medical Carrier Report on Quarterly Experience**

- Section I: Experience of Current Quarter and Year to Date
Schedule of Paid Claims
- Section II: Prior Year Experience Reconciliation
- Section III: Projected Current Year Experience
Paid Claims Reconciliation
Determination of Open & Unreported Reserve
Administrative Expense Summary and Detail
- Section IV: Succeeding Year – Projected Rates & Development of Projected Rates
- Section V: Estimated number of Contracts
- Section VI: Triangle Report

APPENDIX T GASB 45 - 2006 Valuation

(link: [S3.03](#))

Enclosure:

- **New York State/SUNY GASB 45 Postemployment Healthcare Benefits April 1, 2006 Actuarial Valuation dated May 15, 2007** (provided as an embedded pdf – filename: *GASB 45 State-SUNY Version.pdf*)



GASB 2006 Actuarial
Valuation

- **Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 45 Valuation – Participating Agency Version dated August 7, 2006** (provided as an embedded pdf – filename: *GASB 45 PA Version.pdf*)



GASB 45 PA
Version.pdf

- **Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 45 Valuation – Participating Employer Version dated August 2, 2006** (provided as an embedded pdf – filename: *GASB 45 PE Version.pdf*)



GASB 45 PE
Version.pdf

APPENDIX U GASB 45 – 2007 Roll Forward to Year Two Report

(link: [§3.03](#))

Enclosure:

Roll Forward to Year Two Report *(provided as an embedded pdf – filename: NYS GASBD 45 – Roll Forward to Year Two.pdf)*



NYS GASB 45 - Roll
Forward to Year Two.

APPENDIX V GASB 45 - 2008 Valuation

(link: [§3.03](#))

Enclosures:

- **New York State/SUNY GASB 45 Postemployment Healthcare Benefits April 1, 2008 Actuarial Valuation dated April 27, 2009** (provided as an embedded pdf – filename: NYS GASB 45 State Actuarial Valuation 4-1-08 - FINAL.pdf)



NYS GASB 45
Actuarial Valuation 4-

- **Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 45 Valuation – Participating Agency Version dated** (provided as an embedded pdf – filename: 2008 NYS GASB 45 Actuarial Valuation - Actuarial Assumptions for Release to Participating Agencies.pdf)



2008 NYS GASB 45
Actuarial Valuation - /

- **Development of Recommended Actuarial Assumptions for New York State/SUNY GASB 45 Valuation – Participating Employer Version dated** (provided as an embedded pdf – filename: 2008 NYS GASB 45 Actuarial Valuation - Actuarial Assumptions for Release to Participating Employers.pdf)



2008 NYS GASB 45
Actuarial Valuation - /

APPENDIX W GASB 45 – 2009 Roll Forward to Year Two Report and 2010 Valuation

(link: [§3.03](#))

Enclosures:

- **GASB 45 – Roll Forward dated December 29, 2009** *(provided as an embedded pdf – filename: NYS SUNY Roll Forward from 4 1 08 Val.pdf)*



NYS SUNY Roll
Forward from 4 1 08'

- **GASB 45 – Roll Forward for FY2011 from 4/1/08 Valuation, Adjusted for Health Care Reform dated June 27, 2011** *(provided as an embedded pdf – filename: NYS & SUNY Roll Forward from 4 1 08 Val - Updated NYS for HCR.pdf)*



NYS & SUNY Roll
Forward from 4 1 08'

- **New York State/SUNY GASB 45 Postemployment Healthcare Benefits April 1, 2010 Actuarial Valuation (Revised) July 29, 2011** *(provided as an embedded pdf – filename: NYS & SUNY Roll Forward from 4 1 08 Val - Updated NYS for HCR.pdf)*



NYS GASB 45
Actuarial Valuation 4-

APPENDIX X Enrollment Counts by Contract Type – March 2012

ENROLLMENT BY CONTRACT TYPE - March 2012																	(Link Appendix E)
	NEW YORK STATE					PARTICIPATING EMPLOYERS					PARTICIPATING AGENCIES						
EMPIRE	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Total</u>	
Individual	59,578	64,511	483	13,026	137,598	8,338	4,235	304	1,195	14,072	31,917	41,065	358	6,784	80,124	231,794	
Drug	59,578	64,496	483	13,018	137,575	7,565	4,012	297	1,195	13,069	31,917	41,062	358	6,779	80,116	230,760	
No Drug	0	15	0	8	23	773	223	7	0	1,003	0	3	0	5	8	1,034	
Family	92,251	49,432	158	1,008	142,849	20,034	8,883	73	414	29,404	74,702	43,551	278	585	119,116	291,369	
Drug	92,251	49,432	158	1,008	142,849	18,552	8,453	71	414	27,490	74,702	43,551	278	585	119,116	289,455	
No Drug	0	0	0	0	0	1,482	430	2	0	1,914	0	0	0	0	0	1,914	
Total Empire	151,829	113,943	641	14,034	280,447	28,372	13,118	377	1,609	43,476	106,619	84,616	636	7,369	199,240	523,163	
SEHP	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>						<u>Total</u>	
Individual (all with Drug)	2,741	0	237	0	2,978	1,771	0	95	0	1,866						4,844	
Family (all with Drug)	384	0	20	0	404	360	0	19	0	379						783	
Total SEHP	3,125		257	0	3,382	2,131		114	0	2,245						5,627	
EXCELSIOR PLAN	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Total</u>	
Individual (all with Drug)											37	62	0	28	127	127	
Family(all with Drug)											50	70	0	1	121	121	
Total Excelsior											87	132	0	29	248	248	
TOTAL EMPIRE EXCELSIOR & SEHP	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Total</u>	
Individual	62,319	64,511	720	13,026	140,576	10,109	4,235	399	1,195	15,938	31,954	41,127	358	6,812	80,251	236,765	
Family	92,635	49,432	178	1,008	143,253	20,394	8,883	92	414	29,783	74,752	43,621	278	586	119,237	292,273	
Total	154,954	113,943	898	14,034	283,829	30,503	13,118	491	1,609	45,721	106,706	84,748	636	7,398	199,488	529,038	
HMO's	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Total</u>	
Individual	14,123	11,546	79	1,404	27,152	2,318	900	9	134	3,361						30,513	
Drug	14,123	11,546	79	1,404	27,152	2,181	838	9	134	3,162						30,314	
No Drug	0	0	0	0	0	137	62	0	0	199						199	
Family	20,145	7,069	16	137	27,367	3,728	1,017	3	34	4,782						32,149	
Drug	20,145	7,069	16	137	27,367	3,492	952	3	34	4,481						31,848	
No Drug	0	0	0	0	0	236	65	0	0	301						301	
Total HMO	34,268	18,615	95	1,541	54,519	6,046	1,917	12	168	8,143						62,662	
NYSHIP TOTAL	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Actives</u>	<u>Retirees</u>	<u>COBRA</u>	<u>Other</u>	<u>Subtotal</u>	<u>Total</u>	
	189,222	132,558	993	15,575	338,348	36,549	15,035	503	1,777	53,864	106,706	84,748	636	7,398	199,488	591,700	

* NYBEAS Run **3/1/2012**

APPENDIX Y NYSHIP Empire Plan Experience and HMO Premium Data(Link [Appendix E](#))[Appendix Y](#)– Page 1 of 4

EMPIRE PLAN EXPERIENCE 1998-2011						
EMPIRE BLUE CROSS BLUE SHIELD (HOSPITAL)						
Calendar Year	Premium	Incurred Claims ⁽¹⁾	Retention ⁽²⁾	Surplus	Deficit Recoupment	Dividend / (Deficit)
1998	543,714,562	499,407,599	27,422,158	16,884,805	0	16,884,805
1999	646,650,590	570,569,225	31,621,257	44,460,108	0	44,460,108
2000	689,560,272	638,612,692	28,904,278	22,043,302	0	22,043,302
2001	761,923,756	706,237,279	39,411,779	16,274,698	0	16,274,698
2002	867,583,186	800,422,061	68,599,978	(1,438,853)	0	(1,438,853)
2003	997,383,385 (a)	913,488,461	89,600,135	(5,705,211)	0	(5,705,211)
2004	1,170,852,317	1,046,221,282	96,169,553	28,461,482	0	28,461,482
2005 (b)	1,333,287,175	1,144,790,950	100,184,035	88,312,190	0	88,312,190
2006 (b)	1,503,384,277	1,228,814,014	98,597,580	175,972,683	0	175,972,683
2007 (b)	1,609,493,696	1,392,865,819	106,107,074	110,520,803	0	110,520,803
2008 (b)	1,766,786,043	1,528,518,158	122,384,224	115,883,661	0	115,883,661
2009 (b)	1,889,328,999	1,710,667,193	151,445,452	27,216,354	0	27,216,354
2010 (b)	2,011,602,806	1,833,878,947	152,473,761	25,250,098	0	25,250,098
2011 (c)	2,276,499,024	2,100,374,456	160,594,828	15,529,740	0	15,529,740
(a) Includes release of \$5.9 million from accumulated dividends held by Empire for Empire's use to fund the incremental admin expense from 2003 that was not built into the 2003 premium rates.						
(b) Based on Settlement Report for respective year.						
(c) Based on Carrier 2011 2nd Qtr Experience Reports.						
UNITED HEALTH CARE (MEDICAL)						
Calendar Year	Premium	Incurred Claims ⁽¹⁾	Retention ⁽²⁾	Surplus	Deficit Recoupment	Dividend / (Deficit)
1998	759,622,751	673,870,576	74,474,237	11,277,938	0	11,277,938
1999	861,979,150	752,432,792	89,622,804	19,923,554	0	19,923,554
2000	927,747,658	820,353,188	85,941,851	21,452,619	0	21,452,619
2001	1,079,921,208	905,198,950	91,144,917	83,577,341	0	83,577,341
2002	1,206,034,527	1,060,273,105	107,772,039	37,989,383	0	37,989,383
2003	1,338,544,533	1,134,117,550	125,609,477	78,817,506	0	78,817,506
2004	1,465,139,470	1,258,130,235	140,229,104	66,780,131	0	66,780,131
2005 (a)	1,606,092,124	1,427,776,957	143,519,361	34,795,806	0	34,795,806
2006 (a)	1,774,399,263	1,587,979,900	145,931,561	40,487,802	0	40,487,802
2007 (a)	2,042,368,213	1,711,984,797	160,980,459	169,402,957	0	169,402,957
2008 (a)	2,205,445,034	1,795,237,288	186,697,235	223,510,511	0	223,510,511
2009 (a)	2,149,891,194	1,931,838,913	213,485,411	4,566,870	0	4,566,870
2010 (a)	2,291,722,572	1,973,058,152	219,112,823	99,551,597	0	99,551,597
2011 (b)	2,515,675,000	2,262,082,000	237,361,000	16,232,000	0	16,232,000
(a) Based on Settlement Report for respective year.						
(b) Based on Carrier 2011 2nd Qtr Experience Reports.						

EMPIRE PLAN EXPERIENCE 1998-2011						
UNITED HEALTHCARE/GHI (MHSA)(a)						
Calendar Year	Premium	Incurred Claims ⁽¹⁾	Retention ⁽²⁾	Surplus	Deficit Recoupment	Dividend / (Deficit)
1998	79,954,449	57,623,370	14,558,846	7,772,233	0	7,772,233
1999	66,131,858	52,459,012	12,020,392	1,652,454	0	1,652,454
2000	70,325,435	52,792,539	11,783,541	5,749,355	0	5,749,355
2001	73,728,366	57,308,004	13,353,212	3,067,150	0	3,067,150
2002	72,905,394	61,635,844	14,351,752	(3,082,202)	0	(3,082,202)
2003	84,734,407	66,869,642	14,683,874	3,180,891	0	3,180,891
2004	90,765,006	67,045,748	15,873,379	7,845,879	0	7,845,879
2005 (b)	90,303,054	70,635,445	15,238,820	4,428,789	0	4,428,789
2006 (b)	96,299,618	72,809,741	15,477,603	8,012,274	0	8,012,274
2007 (b)	94,212,583	82,656,180	16,743,425	(5,187,022)	0	(5,187,022)
2008 (b)	108,449,553	97,552,490	18,594,689	(7,697,626)	0	(7,697,626)
2009 (b)	120,763,967	115,732,184	18,130,019	(13,098,236)	(4,064,792)	(9,033,444)
2010 (b)	137,726,119	109,331,988	19,674,973	8,719,158	9,033,444	(314,286)
2011 (c)	139,747,918	131,183,093	19,848,527	(11,283,702)	(3,038,575)	(8,245,127)
(a) UHC 1998; GHI 1999- 2008; UHC 2009-Present						
(b) Based on Settlement Report for respective year.						
(c) Based on Carrier 2011 2nd Qtr Experience Reports.						
CIGNA/BLUE CROSS/UNITED HEALTHCARE (PRESCRIPTION DRUGS)(b)						
Calendar Year	Premium	Incurred Claims ⁽¹⁾	Retention ⁽²⁾	Surplus	Deficit Recoupment	Dividend / (Deficit)
1998	342,763,949	330,340,228	12,154,096	269,625	0	269,625
1999	428,448,853	455,764,759	12,038,118	(39,354,024)	0	(39,354,024)
2000	626,612,823	557,742,337	13,067,836	55,802,650	39,354,024	16,448,626
2001	741,670,656	682,318,005	16,058,932	43,293,719	0	43,293,719
2002	861,525,344	834,429,976	16,726,823	10,368,545	0	10,368,545
2003	1,071,026,159	973,351,700	30,721,067	66,953,392	0	66,953,392
2004	1,222,536,034	1,119,580,023	42,242,751	60,713,260	0	60,713,260
2005 (b)	1,275,659,502	1,062,892,506	41,336,347	171,430,649	0	171,430,649
2006 (b)	1,416,134,548	1,170,859,088	67,787,541	177,487,919	0	177,487,919
2007 (b)	1,480,774,132	1,240,782,664	64,686,452	175,305,016	0	175,305,016
2008 (b)	1,538,219,591	1,337,697,041	71,730,851	128,791,699	0	128,791,699
2009 (b)	1,486,982,329	1,320,816,902	87,921,602	78,243,825	0	78,243,825
2010 (b)	1,513,185,465	1,387,773,640	83,677,059	41,734,766	0	41,734,766
2011 (c)	1,763,035,310	1,625,560,850	92,211,559	45,262,901	0	45,262,901
(a) CIGNA until 2005; Blue Cross 2006-2007; UHC 2008 - Present						
(b) Based on Settlement Report for respective year.						
(c) Based on Carrier 2011 2nd Qtr Experience Reports						

EMPIRE PLAN EXPERIENCE 1998-2011						
EMPIRE PLAN – ALL CARRIERS						
Calendar Year	Premium	Incurred Claims ⁽¹⁾	Retention ⁽²⁾	Surplus	Deficit Recoupment	Dividend / (Deficit)
1998	1,726,055,711	1,561,241,773	128,609,337	36,204,601	0	36,204,601
1999	2,003,210,451	1,831,225,788	145,302,571	26,682,092	0	26,682,092
2000	2,314,246,188	2,069,500,756	139,697,506	105,047,926	39,354,024	65,693,902
2001	2,657,243,986	2,351,062,238	159,968,840	146,212,908	0	146,212,908
2002	3,008,048,451	2,756,760,986	207,450,592	43,836,873	0	43,836,873
2003	3,491,688,484	3,087,827,353	260,614,553	143,246,578	0	143,246,578
2004	3,949,292,827	3,490,977,288	294,514,787	163,800,752	0	163,800,752
2005	4,305,341,855	3,706,095,858	300,278,563	298,967,434	0	298,967,434
2006	4,790,217,706	4,060,462,743	327,794,285	401,960,678	0	401,960,678
2007	5,226,848,624	4,428,289,460	348,517,410	450,041,754	0	450,041,754
2008	5,618,900,221	4,759,004,977	399,406,999	460,488,245	0	460,488,245
2009	5,646,966,489	5,079,055,192	470,982,484	96,928,813	(4,064,792)	100,993,605
2010	5,954,236,962	5,304,042,727	474,938,616	175,255,619	9,033,444	166,222,175
2011	6,694,957,252	6,119,200,399	510,015,914	65,740,939	(3,038,575)	68,779,514

NOTES TO ALL TABLES:

- (1) Represents paid claims plus the change in estimated reserve
(2) Includes administrative expenses, risk charges, conversion charge

HMO PREMIUM AND EMPIRE PLAN EXPERIENCE 1998-2008				
Health Maintenance Organizations			EMPIRE PLAN AND HMO PREMIUM	
Calendar Year	Premium		Calendar Year	Premium
1998	301,308,809		1998	2,027,364,520
1999	323,561,832		1999	2,326,772,283
2000	328,264,486		2000	2,642,510,674
2001	362,933,689		2001	3,020,177,675
2002	398,104,843		2002	3,406,153,294
2003	432,564,328		2003	3,924,252,812
2004	461,207,482		2004	4,410,500,309
2005	483,603,930		2005	4,788,945,785
2006 (a)	520,443,291		2006	5,310,660,997
2007	549,707,172		2007	5,776,555,796
2008	579,575,130		2008	6,198,475,351
2009	634,881,836		2009	6,281,848,325
2010	633,018,357		2010	6,587,255,319
2011 (b)	674,189,000		2011	7,369,146,252

(a) Based on Gross Premium (does not include Medicare Part B)

(b) Projection per Approved 2011 Rates at the time of the 2011 Rate Renewal

EXHIBIT A Formal Offer Letter(Link [§4.02.1](#))**Exhibit A - Page 1 of 2****[TO BE COMPLETED ON OFFEROR'S LETTERHEAD]**

Date:

ABMC Procurement Manager
NYS Department of Civil Service
Alfred E. Smith State Office Building
Room 803
Albany, New York 12239

**RE: RFP No. 2012ABMC-1, entitled
"ACTUARIAL AND BENEFITS
MANAGEMENT CONSULTING SERVICES"
Firm Offer to the State of New York**

[INSERT OFFEROR NAME] hereby submits this firm and binding offer ("Proposal") to the State of New York in response to New York State Department of Civil Service Request for Proposals 2012ABMC-1, entitled "ACTUARIAL AND BENEFITS MANAGEMENT CONSULTING SERVICES" (RFP). The Proposal hereby submitted meets or exceeds all terms, conditions, and requirements set forth in the above-referenced RFP and in the manner set forth in the RFP.

[INSERT OFFEROR NAME] accepts the terms and conditions as set forth in RFP [Section 6](#), Appendices A through D, and agrees to satisfy the comprehensive programmatic duties and responsibilities outlined in the RFP in the manner set forth in the RFP.

[INSERT OFFEROR NAME] agrees to execute a contractual agreement composed substantially of the terms and conditions set forth in [Section 6](#) of the RFP, and accepts as non-negotiable the terms and conditions set forth in Appendices A through D of the RFP.

[INSERT OFFEROR NAME] further agrees, if selected as a result of the RFP, to comply with the provisions of 1) the Tax Law Section 5-a, Certification Regarding Sales and Compensating Use Tax as set forth in [§2.02.9](#) of the RFP; 2) Sections 57 and 220 of the New York State Workers' Compensation Law as set forth in [§2.02.10](#) of the RFP; and 3) the Consultant Disclosure Requirements as set forth in [§2.02.11](#) of the RFP.

This formal offer will remain firm and non-revocable for a minimum period of 365 days from the Proposal Due Date and Time as set forth in the RFP. In the event that a contract is not approved by the NYS Comptroller within the 365 day period, this offer shall remain firm and binding beyond the 365 day period and until a contract is approved by the NYS Comptroller, unless [INSERT OFFEROR NAME] delivers to the Department of Civil Service written notice of withdrawal of its Proposal.

[INSERT OFFEROR NAME]'s complete offer is set forth as follows:

<u>Administrative Proposal:</u>	Total of five (5) hard copy volumes [one (1) original and four (4) copies] and one (1) electronic copy on CD.
<u>Technical Proposal:</u>	Total of eleven (11) hard copy volumes [one (1) original and ten (10) copies] and one (1) electronic copy on CD.
<u>Financial Proposal:</u>	Total of five (5) hard copy volumes [one (1) original and four (4) copies] and one (1) electronic copy on CD.

EXHIBIT B Offeror Qualification Certification

(Link [§4.02.2](#))

Exhibit B - Page 1 of 3

An authorized representative of the Offeror who is legally authorized to certify the information requested in the name of and on behalf of the Offeror is required to complete and sign the Offeror Attestations and provide all requested information. Offeror’s authorized representative must certify as to the truth of the representations made by signing where indicated, below.

CERTIFICATION:

The Offeror (1) recognizes that the following representations are submitted for the express purpose of assisting the State of New York in making a determination to award a contract; (2) acknowledges and agrees by submitting the Attestation, that the State may at its discretion, verify the truth and accuracy of all statements made herein; (3) certifies that the information submitted in this certification and any attached documentation is true, accurate and complete.

Name of Business Entity Submitting Bid:		
Entity’s Legal Form:		<input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other _____
No.	RFP Ref.	RFP Requirement:
1.	§1.02.1(a)	The Offeror represents and warrants that, at time of Proposal submission, the Offeror: <input type="checkbox"/> is <input type="checkbox"/> is not authorized to conduct business in New York State. If not authorized to conduct business in New York State, at time of Proposal submission, the Offeror represents and warrants that it: <input type="checkbox"/> has <input type="checkbox"/> has not filed an application for authority to do business in New York State with the New York State Secretary of State.
No.	RFP Ref.	RFP Requirement:
2.	§1.02.1(b)	At time of Proposal submission, Offeror represents and warrants that it: <input type="checkbox"/> has <input type="checkbox"/> has not completed, obtained or performed all registrations, filings, approvals, authorizations, consents and examinations required by any governmental authority for the provision of the delivery of Project Services and that it will, during the term of the Contract, comply with any requirements imposed upon it by law.
No.	RFP Ref.	RFP Requirement:
3.	§1.02.1(c)	The Offeror: <input type="checkbox"/> agrees <input type="checkbox"/> does not agree that if selected by the Department as the successful Offeror in this Procurement, the Offeror (Contractor) shall be precluded from 1) submitting a proposal in response to; and/or 2) participating in any way in the development or consultation of any Offeror’s proposal(s) in response to any procurement undertaken by the Department for which the Contractor participated, in any manner whatsoever, in the development of the services which are the subject matter of that procurement and/or the associated procurement vehicle and/or its associated evaluation criteria.

Exhibit B - Page 2 of 3

Name of Business Entity Submitting Bid:		
No.	RFP Ref.	RFP Requirement:
4.	§1.02.1(d)	<p>The Offeror:</p> <ul style="list-style-type: none"> <input type="checkbox"/> agrees and acknowledges <input type="checkbox"/> does not agree and/or acknowledge <p>that all claims, enrollment, and other data (i.e., materials) provided by the Department or the Department’s agents and/or contractors is being provided to the Offeror (Contractor) solely for the purpose of allowing the Contractor to fulfill its duties and responsibilities under the Contract; and that said materials are and remain the sole property of the State; and the Offeror:</p> <ul style="list-style-type: none"> <input type="checkbox"/> represents and warrants <input type="checkbox"/> does not represent and/or warrant <p>that it will not share, sell, release, or make the data available to third parties in any manner without the written consent of the Department, except as directed by a court of competent jurisdiction, or as necessary to comply with applicable New York State or federal law.</p>
No.	RFP Ref.	RFP Requirement:
5.	§1.02.1(e)	<p>At time of Proposal submission, Offeror represents and warrants that , if selected by the Department as the successful Offeror in this Procurement, all activities associated with Tasks 1, 2, 3 and 4, as applicable:</p> <ul style="list-style-type: none"> <input type="checkbox"/> will <input type="checkbox"/> will not <p>be overseen by an individual certified as a Fellow in the Society of Actuaries (FSA).</p>
No.	RFP Ref.	RFP Requirement:
6.	§1.02.2(a)	<p>At time of Proposal submission, Offeror represents and warrants that it:</p> <ul style="list-style-type: none"> <input type="checkbox"/> does <input type="checkbox"/> does not <p>possess adequate staffing resources, financial resources and organizational capacity to perform the type, magnitude and quality of work specified in the RFP.</p> <p><i>(Note: Evidence that Offeror has adequate staffing resources, financial resources and organization to perform the type, magnitude and quality of work specified in the RFP is to be provided in the Offeror’s Organizational Overview section of the Offeror’s Technical Proposal.)</i></p>

(REMAINDER OF PAGE LEFT INTENTIONALLY BLANK)

Name of Business Entity Submitting Bid:		
No.	RFP Ref.	RFP Requirement:
7.	<u>§1.02.2</u> (b)	<p>At time of Proposal submission, Offeror represents and warrants that it:</p> <p><input type="checkbox"/> has</p> <p><input type="checkbox"/> has not</p> <p>maintained an organization capable of performing the work specified herein the RFP, in continuous operation for at least the past three (3) years and that it has provided services comparable to the Project Services outlined in the RFP continuously during said period for the benefit of, at a minimum, three (3) governmental organizations.</p> <p><i>(Note: Evidence that Offeror has maintained an organization capable of performing the work specified herein the RFP, in continuous operation for at least the past three (3) years and that it has provided services comparable to the Project Services outlined in the RFP continuously during said period for the benefit of, at a minimum, three (3) governmental organizations is to be provided in the Offeror's Organizational Overview section of the Offeror's Technical Proposal.)</i></p>
No.	RFP Ref.	RFP Requirement:
8	<u>§1.02.2</u> (c)	<p>Offeror represents and warrants that, for each of the past three (3), it:</p> <p><input type="checkbox"/> has</p> <p><input type="checkbox"/> has not</p> <p>generated gross revenue in excess of \$500,000 per year from benefit consulting/outsourcing services.</p>

Date: _____

Signature _____

PRINT:

SIGNATORY'S NAME _____ TITLE _____

INDIVIDUAL, CORPORATE OR PARTNERSHIP ACKNOWLEDGMENT

STATE OF _____ }
 : SS.:
 COUNTY OF _____ }

On the ____ day of _____ in the year 2012, before me personally appeared:

_____, known to me to be the person who executed the foregoing instrument, who, being duly sworn by me did depose and say that _he resides at _____, Town of _____, County of _____, State of _____; and further that, if applicable:

[Check One, If Applicable]

(____ **If a corporation**): _he is the _____ of _____, the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.

(____ **If a partnership**): _he is the _____ of _____, the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for the purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name and on behalf of said partnership as the act and deed of said partnership.

Notary Public

EXHIBIT C Compliance with Public Officers Law Requirements

(Links [§2.02.1](#) & [§4.02.3](#))

Exhibit C
Page 1 of 1

The New York State Public Officers Law ("POL"), particularly POL Sections 73 and 74, as well as all other provisions of New York State law, rules and regulations, and policy establishing ethical standards for current and former State employees. In submitting its Proposal, the Offeror must guarantee knowledge and full compliance with such provisions for purposes of the RFP and any other activities including, but not limited to, contracts, bids, offers, and negotiations. Failure to comply with these provisions may result in disqualification from the procurement process, termination, suspension or cancellation of the contract, and criminal proceedings as may be required by law. Offeror affirmatively states that at the time of bid submission, Offeror knows of no factors existing at time of bid submission or which are anticipated to arise thereafter, which would constitute a potential conflict of interest in successfully meeting the contractual obligations set forth in the RFP, including but not limited to:

- (1) No potential for conflict of interest on the part of the Offeror due to prior, current, or proposed contracts, engagements, or affiliations; and
- (2) No potential conflicts in the sequence or timing of the proposed award under the RFP relative to the timeframe for service delivery, or personnel or financial resource commitments of Offeror to other projects.

Date: _____

Signature

PRINT:

SIGNATORY'S NAME _____ **TITLE** _____

INDIVIDUAL, CORPORATE OR PARTNERSHIP ACKNOWLEDGMENT

STATE OF _____ }
: **SS.:**
COUNTY OF _____ }

On the ____ day of _____ in the year 2012, before me personally appeared:

_____, known to me to be the person who executed the foregoing instrument, who, being duly sworn by me did depose and say that _he resides at _____, Town of _____, County of _____, State of _____; and further that, if applicable:

[Check One, If Applicable]

(___ **If a corporation**): _he is the _____ of _____, the corporation described in said instrument; that, by authority of the Board of Directors of said corporation, _he is authorized to execute the foregoing instrument on behalf of the corporation for purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name of and on behalf of said corporation as the act and deed of said corporation.

(___ **If a partnership**): _he is the _____ of _____, the partnership described in said instrument; that, by the terms of said partnership, _he is authorized to execute the foregoing instrument on behalf of the partnership for the purposes set forth therein; and that, pursuant to that authority, _he executed the foregoing instrument in the name and on behalf of said partnership as the act and deed of said partnership.

Notary Public

EXHIBIT D Proposal Submission Requirements Checklist(Links [§2.01.8](#) & [§4.02.4](#))**Exhibit D –
Page 1 of 3**

The following checklist is provided for use of Offerors to help ensure Offeror's compliance with the RFP requirements. Offerors should indicate by checkmark that the Offeror's Proposal meets each of the following submission requirements (Use RFP provided forms as stipulated. If no form is stipulated, submit appropriate documentation as stated in the requirement.)

TIMELY SUBMISSION:

Offerors are reminded that Offerors are solely responsible for timely delivery of their Proposal to DCS prior to the stated Proposal Due Date and Time deadline as set forth in RFP [§2.01.1](#).

1. PACKAGING AND FORMATTING REQUIREMENTS:

Each part of the Offeror's Proposal (Administrative, Technical and Financial Proposal) must comply with the formatting requirements stated in RFP [§2.01.8](#).

Check (✓) If Included	RFP Section	Required Submission
	§2.01.8.a	The Offeror's Proposal is organized in three separate (3) parts: Administrative, Technical, and Financial Proposals.
	§2.01.8.a	Offerors must submit one (1) ORIGINAL separately bound hard copy of each part.
	§2.01.8.a	<ul style="list-style-type: none"> eleven (11) separately bound hard copies of the Offeror's Technical Proposal; and five (5) separately bound hard copies of the Offeror's Administrative and Financial Proposals
	§2.01.8.a	One (1) electronic copy (CD) of each of the three (3) parts of the Offeror's Proposal.
	§2.01.8.a	Each ORIGINAL hard copy of each part is marked "ORIGINAL" and contains an original signature of an official(s) authorized to bind the Offeror to its provisions on all forms submitted that require the Offeror's signature.
	§2.01.8.a	The remaining hard copies of each part contain either an original signature or a copy of the official's signature on all forms submitted that require the Offeror's signature and they are numbered sequentially (e.g. Copy #1, Copy #2, etc).
	§2.01.8.a	Proposals are placed and packaged together, by part, in sealed boxes/envelopes.
	§2.01.8.a	Each sealed boxes/envelopes contains a label on the outside of the container which contains the required labeling information.
The Proposal complies with the formatting requirements set forth in the RFP in terms of:		
	§2.01.8.b	Binding of Proposal: The official name of the organization(s) and "ACTUARIAL AND BENEFITS MANAGEMENT CONSULTING SERVICES" appears either on the outside front cover of each copy of the Offeror's Administrative, Technical and Financial Proposal, or if the Proposals are submitted in loose-leaf binders on the spine of the binders
	§2.01.8.b	Table of Contents: Each Proposal contains as table of contents.
	§2.01.8.b	Index Tabs: Each major section of the Proposal and each exhibit/attachment/appendices is labeled with an index tab that completely identifies the title of the section, or exhibit, attachment or appendix as named in the table of contents.
	§2.01.8.b	Pagination: Each page of each of the three (3) parts of the Offeror's Proposal is dated and numbered consecutively from its beginning through all appended material.

Exhibit D – Page 2 of 3**2. ADMINISTRATIVE PROPOSAL:**

The Offeror's Administrative Proposal must respond to all of the mandatory sections as set forth in RFP [§4.02.1](#) through [§4.02.12](#), in the order specified in [§4.02](#) and using the specified forms and formats, as applicable, set forth in RFP [Exhibit A](#) through [Exhibit L](#). Sub-sections for which narrative information is to be provided, if any, are not separately listed in the table below, just the Section title and Exhibits, if any that are to be included at that section of the Offeror's Administrative Proposal. When indicating that a section is included the Offeror should ensure that all required submission associated with a given section and its subsections, if any, have been provided (Note: Although not an Official Component of the Offeror's Administrative Proposal, the Checklist includes the "[Requested Redactions CD and Hard Copy](#)" as requested to be provided per RFP [§4.02.13](#)):

Check (√) If Included	RFP Section	Required Submission and Associated Exhibits, if any
	§4.02.1	Formal Offer Letter - Exhibit A
	§4.02.2	Offeror Qualification Certification - Exhibit B
	§4.02.3	Compliance with Public Officers Law Requirements - Exhibit C
	§4.02.4	Proposal Submission Requirements Checklist - Exhibit D
	§4.02.5	1. EEO Staffing Plan (form EEO-100) - Exhibit E ; 2. Certification of Good Faith Efforts (form MWBE-104) - Exhibit E ; and 3. MWBE Utilization Plan (form MWBE-100) - Exhibit G
	§4.02.6	Compliance with Americans with Disabilities Act - Exhibit H
	§4.02.7	MacBride and Non-Collusive Bidding Certification - Exhibit I
	§4.02.8	New York State Standard Vendor Responsibility Questionnaire - Exhibit J
	§4.02.9	Offeror's Certification of Compliance Pursuant to State Finance Law §139-k(5) - Exhibit K
	§4.02.10	Financial Stability (No associated Exhibit)
	§4.02.11	Conflicts of Interest (No associated Exhibit)
	§4.02.12	Freedom of Information Law – Request for Redaction Chart - Exhibit L
Check (√) If Included	RFP Section	Supplemental Information Requested to be Included with Administrative Proposal Package
	§4.02.13	Requested Redactions CD and Hard Copy

3. TECHNICAL PROPOSAL:

The Offeror's Technical Proposal must respond to all of the mandatory sections as set forth in RFP [§4.03.1](#) through [§4.03.6](#), in the order specified in [§4.03](#) and using the specified formats and forms, as applicable, set forth in RFP [Exhibit M](#) through [Exhibit Q](#). Sub-sections for which narrative information is to be provided, if any, are not separately listed in the table below, just the Section title and Exhibits, if any that are to be included at that section of the Offeror's Technical Proposal. When indicating that a section is included the Offeror should ensure that all required submission associated with a given section and its subsections, if any, have been provided:

Check (√) If Included	RFP Section	Required Submission – Associated Exhibits, if any
	§4.03	Copy of Offeror's Formal Offer Letter
	§4.03.1	Organizational Overview (No associated Exhibit)
	§4.03.2	Key Subcontractors - Exhibit M
	§4.03.3	Client References – 3 client references using Exhibit N
	§4.03.4	Project Management Team - Exhibit O & Exhibit P
	§4.03.5	Project Services – including 3 prior ad hoc projects and, if applicable, self funded rate development and review project(s), using Exhibit Q
	§4.03.6	Performance Guarantees (No associated Exhibit)

Exhibit D – Page 3 of 3**4. FINANCIAL PROPOSAL:**

The Offeror's Financial Proposal must respond to all of the mandatory sections as set forth in RFP [§4.04.1](#) through [§4.04.3](#), in the order specified in [§4.04](#) and using the specified forms and formats set forth in RFP [Exhibit R, Forms 1](#) through [4](#). *Sub-sections for which narrative information is to be provided, if any, are not separately listed in the table below, just the Section title and Exhibits, if any bits that are to be included at that section of the Offeror's Financial Proposal. When indicating that a section is included the Offeror should ensure that all required submission associated with a given section and its subsections, if any, have been provided:*

Check (✓) If Included	RFP Section	Required Submission – Associated Exhibits, if any
	§4.04	Copy of Offeror's Formal Offer Letter
	§4.04.1	Task #1 – Premium Rate Renewals and Plan Funding Requirements- Exhibit R, Form 1
	§4.04.2	Task #2 – Quarterly Analysis - Exhibit R, Form 2
	§4.04.3	Tasks #3 and #4 – GASB 45 Valuation and Ad Hoc Projects Fixed Hourly Rates - Exhibit R, Forms 3 and 4

EXHIBIT E EEO Staffing Plan (form EEO-100)

(Links [§2.02.3](#) & [§4.02.5](#))

[Exhibit E](#) – Page 1 of 1

Placeholder for a hardcopies of the following document (Either version of the document may be used by Offerors):

The below documents are also available at: <http://www.cs.state.ny.us/pio/mwbe-eeo-forms.cfm>

A PDF version of the document is embedded below:



EEO-100-fill-in.pdf

A Word version of the document is embedded below:



EEO-100.dot

EXHIBIT F Certification of Good Faith Efforts (form MWBE-104)

(Links [§2.02.3](#) & [§4.02.5](#))

Exhibit F– Page 1 of 1

Placeholder for a hardcopies of the following document (Either version of the document may be used by Offerors):

The below documents are also available at: <http://www.cs.state.ny.us/pio/mwbe-eeo-forms.cfm>

A PDF version of the document is embedded below:



MWBE-104-rev-1-20
12.pdf

A Word version of the document is embedded below:



MWBE-104.rev.1.20
12.dot

EXHIBIT G MWBE Utilization Plan (form MWBE-100)

(Links [§2.02.3](#) & [§4.02.5](#))

[Exhibit G](#)– Page 1 of 1

Placeholder for a hardcopies of the following document (Either version of the document may be used by Offerors):

The below documents are also available at: <http://www.cs.state.ny.us/pio/mwbe-eeo-forms.cfm>

A PDF version of the document is embedded below:



MWBE-100-fill-in.pdf

A Word version of the document is embedded below:



MWBE-100.dot

EXHIBIT J New York State Standard Vendor Responsibility Questionnaire

(Links [§2.02.6](#) & [§4.02.8](#))

Placeholder for a hardcopies of the following document (Either version of the document may be used by Offerors):

1. [Exhibit J](#), dated June 2010

A PDF version of the document is embedded below:



New York State
Standard Vendor Res

A Word version of the document is embedded below:



Vendor Responsibility
Questionnaire 6-2010

EXHIBIT K Offeror’s Certification of Compliance Pursuant to State Finance Law §139-k(5)

(Links [§2.01.2](#), [§2.02.7](#) & [§4.02.9](#))

**Exhibit K – Page 1
of 1**

Instructions:

New York State Finance Law (SFL) §139-k(5) requires that every contract award subject to the provisions of SFL §§139-k or 139-j shall contain a certification by the Offeror that all information provided to the DCS with respect to SFL §139-k is complete, true and accurate.

At the time an Offer or Bid is submitted to the DCS, the Offeror/Offeror must provide the following certification that the information it has and will provide to the DCS pursuant to SFL §139-k is complete, true and accurate including, but not limited to, disclosures of findings of non-responsibility made within the previous four years by any State governmental entity where such finding of non-responsibility was due to a violation of SFL §139-j or due to the intentional provision of false or incomplete information to a State governmental entity.

Offeror Certification

I certify that all information provided to the Governmental Entity with respect to State Finance Law §139-k is complete, true and accurate.

Name of Offeror: _____

By: _____
(Signature)

Name: _____

Title: _____

Address: _____

Date: _____

EXHIBIT L Freedom of Information Law – Request for Redactions Chart

(Links [§2.02.8](#) & [§4.02.12](#))

Exhibit L – Page I of 2

_____ Proposal Dated: _____
 (Name of Company)

In Response to the NYS Department of Civil Service Request for Proposals RFP No. 2012ABMC-1 entitled, "ACTUARIAL AND BENEFITS MANAGEMENT CONSULTING SERVICES"

Check the applicable box below:

- Offeror asserts that the information noted in the table below constitutes proprietary and/or trade secret information and desires that such information not be disclosed if requested pursuant to the New York State Freedom of Information Law, Article 6 of the Public Officers Law ("FOIL").
- Offeror makes NO assertion that any information in its Proposal, in whole or in part, should be protected from FOIL disclosure.

Administrative Proposal		
Requested Redaction Page #'s and Proposal Sections	Description	Offeror Rationale for Proposed Redaction
<i>Insert rows above as necessary</i>		
Technical Proposal		
Requested Redaction Page #'s and Proposal Sections	Description	Offeror Rationale for Proposed Redaction
<i>Insert rows above as necessary</i>		
Financial Proposal		
Requested Redaction Page #'s and Proposal Sections	Description	Offeror Rationale for Proposed Redaction
<i>Insert rows above as necessary</i>		

REDACTION CHART

Please provide specific justification for each item for which you seek protection from FOIL disclosure. An appropriate justification may include any one or more of the following considerations by which to demonstrate reasonably whether the item for which you seek protection may be excepted from disclosure:

- a. the confidential nature of the specific item, including a description of the nature and extent of the injury to the Offeror's competitive position, such as unfair economic or competitive damage, which would be incurred were the information/record to be disclosed;
- b. whether the specific information/record is treated as confidential by the Offeror, including whether it ever has been made available to any person or entity;
- c. whether any patent, copyright, or similar legal protection exists for the specific item of information;
- d. whether the public disclosure of the information/record is otherwise restricted by law, and the specific source and content of such restriction;
- e. the date upon which the information/record no longer will need to be kept confidential, if applicable;
- f. whether the item of information is known by anyone outside the Offeror's business or organization;
- g. the extent to which the information is known by Offeror's employees and others involved in the Offeror's business;
- h. the value of the specific information/record to the Offeror and to its competitors;
- i. the amount of effort or money expended by the Offeror in developing the information/record;
- j. and the ease or difficulty with which the information could be properly acquired or duplicated (not merely copied) for use by others.

EXHIBIT M Key Subcontractors

(Link [§4.03.2](#))

Exhibit M – Page 1 of 1

INSTRUCTION: Prepare this form for each Key Subcontractor	
Offeror’s Name:	
The Offeror: <ul style="list-style-type: none"> <input type="checkbox"/> is <input type="checkbox"/> is not proposing to utilize the services of a subcontractor(s) to provide Project Services	
Subcontractor’s Legal Name:	
Business Address:	
Subcontractor’s Legal Form:	<input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Other _____
As of the date of the Offeror’s Proposal, a subcontract <ul style="list-style-type: none"> <input type="checkbox"/> has <input type="checkbox"/> has not been executed between the Offeror and the subcontractor(s) for services to be provided by such subcontractor(s) relating to the Project.	
In the space provided below, describe the Subcontractor’s role(s) and responsibilities regarding Project Services to be provided by the subcontractor:	

Relationship between Offeror and Subcontractor for Current Engagements: (Complete items 1 through 5 for each client engagement identified)	
1. Client:	
2. Client Reference Name and Phone #	
3. Project Title:	
4. Project Start Date:	
5. In the space provided below, Project Status:	

6. In the space provided below, describe the roles and responsibilities of the Offeror and subcontractor in regard to the project identified in 3, above:	

EXHIBIT N Client References

(Link [§4.03.3](#))

Exhibit N – Page 1 of 1

Client Reference #: _____

Project Reference Name: _____

Name of the Client for whom actuarial and benefit consulting services are/were Performed:	
Client Contact Information:	
Contact's Name:	
Contact's Title:	
Phone Number:	
Email Address:	
Services Rendered Description: In the space provided below, the Offeror should describe the nature of the services in satisfaction of the requirements in RFP §4.03.3 demonstrating that the Offeror has provided actuarial and benefit consulting services similar in scope to those as set forth in the RFP.	

EXHIBIT P Biographical Sketch Form

(Link [§4.03.4](#))

Exhibit P – Page 1 of 1

INSTRUCTION: Prepare this form for each **key** staff individual, including Key Subcontractor provided **key** staff, if any.

Name:			
Job Title:			
Position Title per RFP §4.04 – Assumption 6			
In the space provided below describe the individual’s proposed role and responsibilities under the Contract. Indicate whether or not the individual will be responsible for overseeing or performing the work and for which task(s). Include the percentage of time dedicated to the Project and reporting relationships:			
In the space provided below provide a statement disclosing whether or not the proposed individual has competing obligations that require effort during the period during which this individual will be working on the Contract.			
EDUCATION:			
Institution & Location	Degree	Year Conferred	Discipline
CERTIFICATIONS:			
PROFESSIONAL EMPLOYMENT: (Start with most recent)			
Employer	Title	Dates From – To	
PROFESSIONAL EXPERIENCE: (Include only that experience which is significant and relevant to the individual’s performance of Project Services to the Department program)			
REFERENCES: (Provide and the Name and Phone Number of two references). All references provided must be from client company(ies) external to the Offeror’s or Key Subcontractor’s organization. All references provided should have direct knowledge of the individual’s experience and be able to validate the experience provided as it relates to the individual’s proposed role and responsibilities under the Contract.			
Name:			
Phone:			
Name:			
Phone:			

EXHIBIT Q Project Abstract

(Link [§4.03.5](#))

Exhibit Q – Page 1 of 2

Sample # _____

Project Title:	
Indicate which type of sample this project represents:	<input type="checkbox"/> one of which, in the opinion of the Offeror required a comprehensive analysis of an issue(s), and the results of the analysis were of an exigent nature to the client. <input type="checkbox"/> one of which, in the opinion of the Offeror required a comprehensive analysis of an issue(s), and the results of the analysis were <u>not</u> of an exigent nature to the client. <input type="checkbox"/> one of which, in the opinion of the Offeror, the analysis required was of a limited nature, and the results of the analysis were of an exigent nature to the client.
Name of the Client for whom services were performed:	
Client Contact Information:	
Contact's Name:	
Contact's Title:	
Phone Number:	
Email Address:	
<p>Project Description: The Offeror should submit specific details concerning the project identified in satisfaction of the requirements in RFP §4.03.5. The required information should be provided as an attachment to this Abstract Form. Include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Project Description – Project Title _____".</p>	
<p>Comprehensive Status: In the space provided below or as an attachment to this Abstract Form, indicate the reasons why the analysis needed to be performed was required to be comprehensive in nature, or not. (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Comprehensive Status")</p>	
<p>Exigency: In the space provided below or as an attachment to this Abstract Form, provide an explanation of what caused the undertaking to be exigent in nature, or not. (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Exigency")</p>	
<p>Resources: In the space provided below or as an attachment to this Abstract Form, detail the resources used to undertake the project (number and titles of analysts and man-hours expended per title) - (Note: the titles to be used should be the Positions Titles set forth in RFP §4.04 – Assumption 6.) (If provided as an attachment, Include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Resources")</p>	

Sample#: _____

Project Title:	
<p>Timeline: In the space provided below or as an attachment to this Abstract Form, detail the timeline (at a minimum provide start and end dates) to undertake and complete the project. (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Timeline")</p>	
<p>Change Orders: In the space provided below or as an attachment to this Abstract Form, provide a description of any change orders issued in regard to the project. (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Change Orders")</p>	
<p>Modifications/Corrections: In the space provided below or as an attachment to this Abstract Form, provide an explanation of any modifications/corrections required to secure the client's approval of the final deliverable(s). (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Modifications/Corrections")</p>	
<p>Cost: In the space provided below or as an attachment to this Abstract Form, indicate the initial projected cost of the project and the final cost of the project. Provide an explanation as to any variance in the two amounts. (If provided as an attachment, include the Sample # and Project Title on the attachment and entitle the document or that section of the document containing the required information as "Cost")</p>	
<p>Initial Projected Cost: _____</p> <p>Final Cost: _____</p> <p>Explanation of Variance:</p>	
<p>Sample Deliverable: As a separate attachment to this Abstract Form, provide a copy of the final deliverable(s) (e.g., report or documentation) resultant from the project, if permissible. If it is not permissible to release, indicate why and provide a general description of the final deliverable(s). Include the Sample # and Project Title on the attachment and entitle the document as "Sample Deliverable".</p>	

EXHIBIT R Financial Proposal Forms

The Offeror's Financial Proposal must respond to all of the mandatory sections set forth in RFP [§4.04.1](#) through [§4.04.3](#) in the formats as specified and, as applicable, using the **Forms 1 through 4** which are contained on the four pages that follow. The Offeror's Financial Proposal must be based upon the assumptions and instructions as set forth in RFP [§4.04](#) and associated **Forms 1 through 4**. The Offeror's Financial Proposal must be furnished in hard copy, with electronic version in Microsoft Word, Microsoft Excel, Microsoft Project, Visio and/or Adobe Acrobat, as applicable. In the event of a discrepancy, the hard copy marked "ORIGINAL" shall govern.

Task #1 – Premium Rate Renewals and Plan Funding Requirements

(Link [§4.04.1](#))

Exhibit R, Form 1
Page 1 of 1

Period	1/1/2013 – 12/31/2013 (Year 1)			1/1/2014 – 12/31/2014 (Year 2)			1/1/2015 – 12/31/2015 (Year 3)		
	Fixed Hourly Rate	# Hours	Total Projected Cost	Fixed Hourly Rate	# Hours	Total Projected Cost	Fixed Hourly Rate	# Hours	Total Projected Cost
Principal	/hr		\$	/hr		\$	/hr		\$
Lead Consultant	/hr		\$	/hr		\$	/hr		\$
Consultant	/hr		\$	/hr		\$	/hr		\$
Analyst	/hr		\$	/hr		\$	/hr		\$
Not-To-Exceed Total Cost			\$			\$			\$

Period	1/1/2016 – 12/31/2016 (Year 4)			1/1/2017 – 12/31/2017 (Year 5)			Task #1 Five Year Total
	Fixed Hourly Rate	# Hours	Total Projected Cost	Fixed Hourly Rate	# Hours	Total Projected Cost	(=Sum of Years 1 – 5 Not-To-Exceed Total Cost amounts)
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

Task #2 – Quarterly Analysis(Link [§4.04.2](#))**Exhibit R, Form 2**
Page 1 of 2

Year 1 (1/1/2013 – 12/31/2013)	1st Quarter 2013			4th Quarter 2013			Year 1 Totals ⁽¹⁾
	Fixed Hourly Rate	# Hours	Total Projected Cost	Fixed Hourly Rate	# Hours	Total Projected Cost	
Position Title							
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

(1) = Sum of 1st Quarter 2013 and 4th Quarter 2013 Not-To-Exceed Total Cost amounts.

Year 2 (1/1/2014 – 12/31/2014)	1st Quarter 2014			4th Quarter 2014			Year 2 Totals ⁽¹⁾
	Fixed Hourly Rate	# Hours	Total Projected Costs	Fixed Hourly Rate	# Hours	Total Projected Cost	
Position Title							
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

(1) = Sum of 1st and 4th Quarter Not-To-Exceed Total Cost amounts.

Year 3 (1/1/2015 – 12/31/2015)	1st Quarter 2015			4th Quarter 2015			Year 3 Totals ⁽¹⁾
	Fixed Hourly Rate	# Hours	Total Projected Costs	Fixed Hourly Rate	# Hours	Total Projected Cost	
Position Title							
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

(1) = Sum of 1st and 4th Quarter Not-To-Exceed Total Cost amounts.

Task #2 – Quarterly Analysis

(Link [§4.04.2](#))

Exhibit R, Form 2
Page 2 of 2

Year 4 (1/1/2016 – 12/31/2016)	1st Quarter 2016			4th Quarter 2016			Year 4 Totals ⁽¹⁾
	Fixed Hourly Rate	# Hours	Total Projected Costs	Fixed Hourly Rate	# Hours	Total Projected Cost	
Position Title							
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

(1) = Sum of 1st and 4th Quarter Not-To-Exceed Total Cost amounts.

Year 5 (1/1/2017 – 12/31/2017)	1st Quarter 2017			4th Quarter 2017			Year 5 Totals ⁽¹⁾
	Fixed Hourly Rate	# Hours	Total Projected Costs	Fixed Hourly Rate	# Hours	Total Projected Cost	
Position Title							
Principal	/hr		\$	/hr		\$	
Lead Consultant	/hr		\$	/hr		\$	
Consultant	/hr		\$	/hr		\$	
Analyst	/hr		\$	/hr		\$	
Not-To-Exceed Total Cost			\$			\$	\$

(1) = Sum of 1st and 4th Quarter Not-To-Exceed Total Cost amounts.

Task #2 Five Year Total amount ⁽²⁾	\$
--	----

(2) = Sum of Year 1 Total amount through Year 5 Totals amount.

Tasks #3 and #4 – GASB 45 Valuation and Ad Hoc Projects Fixed Hourly Rates(Link [s4.04.3](#))**Exhibit R, Form 3**
Page 1 of 1

Fixed Hourly Rates					
Position Title	Year 1 (1/1/2013 – 12/31/2013)	Year 2 (1/1/2014 – 12/31/2014)	Year 3 (1/1/2015 – 12/31/2015)	Year 4 (1/1/2016 – 12/31/2016)	Year 5 (1/1/2017 – 12/31/2017)
Principal					
Lead Consultant					
Consultant					
Analyst					

Task #3 Projected Hours Per Position Per Activity(Link [§4.04.3](#))**Exhibit R, Form 4**
Page 1 of 1

Projected Hours Per Position Task #3 Activity					
Position Title	2013 Year Two Roll Forward Report	2014 Valuation Report	2015 Year Two Roll Forward Report	2016 Valuation Report	2017 Year Two Roll Forward Report
Principal					
Lead Consultant					
Consultant					
Analyst					