	State of South Carolina **South Carolina Department of** **Health and Human Services** **Request for Proposal**	Solicitation Number:	RandA DRAFT
		Date Issued:	12/02/2015
		Procurement Officer:	Michele Mahon
		Phone:	803-898-1863
		E-Mail Address:	Michele.Mahon@scdhhs.gov
		Mailing Address:	1801 Main Street Columbia, SC 29201

DESCRIPTION: **Services to support a Business Intelligence System**

The Term "Offer" Means Your "Bid" or "Proposal". Your offer must be submitted in a sealed package. Solicitation Number & Opening Date must appear on package exterior. See "Submitting Your Paper Offer or Modification" provision.

SUBMIT YOUR SEALED OFFER TO EITHER OF THE FOLLOWING ADDRESSES:

MAILING ADDRESS: S.C. Department of Health and Human Services PO Box 8206 Columbia, SC 29202-8206 Attention: Michele Mahon	PHYSICAL ADDRESS: S.C. Department of Health and Human Services 1801 Main Street Columbia, SC 29201 Attention: Michele Mahon

SUBMIT OFFER BY (Opening Date/Time): **Not applicable for this draft**

QUESTIONS MUST BE RECEIVED BY: **1/5/2016 3:00 PM**

NUMBER OF COPIES TO BE SUBMITTED: **Submit your questions to the email address provided on the cover page.**

AWARD & AMENDMENTS	Award will be posted on ==xx/xx/2016==. The award, this solicitation, any amendments, and any related notices will be posted at the following web address http://www.procurement.sc.gov

You must submit a signed copy of this form with Your Offer. By signing, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer open for a minimum of thirty (30) calendar days after the Opening Date.   (See "Signing Your Offer" provision.)

NAME OF OFFEROR (full legal name of business submitting the offer)	Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror. The entity named as the offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, i.e., a separate corporation, partnership, sole proprietorship, etc.
AUTHORIZED SIGNATURE (Person must be authorized to submit binding offer to contract on behalf of Offeror.)	DATE SIGNED
TITLE (business title of person signing above)	STATE VENDOR NO. (Register to Obtain S.C. Vendor No. at www.procurement.sc.gov)
PRINTED NAME (printed name of person signing above)	STATE OF INCORPORATION (If you are a corporation, identify the state of incorporation.)

OFFEROR'S TYPE OF ENTITY: (Check one)   (See "Signing Your Offer" provision.)

___ Sole Proprietorship   ___ Partnership   ___ Other_____

___ Corporate entity (not tax-exempt)   ___ Corporation (tax-exempt)   ___ Government entity (federal, state, or local)

HOME OFFICE ADDRESS (Address for offeror's home office / principal place of business)	NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.)
	_____ Area Code - Number - Extension Facsimile _____ E- mail Address

PAYMENT ADDRESS (Address to which payments will be sent.)	ORDER ADDRESS (Address to which purchase orders will be sent)
____Payment Address same as Home Office Address ____Payment Address same as Notice Address **(check only one)**	____Order Address same as Home Office Address ____Order Address same as Notice Address **(check only one)**

ACKNOWLEDGMENT OF AMENDMENTS
Offerors acknowledges receipt of amendments by indicating amendment number and its date of issue. (See "Amendments to Solicitation" Provision)

Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date	Amendment No.	Amendment Issue Date

DISCOUNT FOR PROMPT PAYMENT (See "Discount for Prompt Payment" clause)	10 Calendar Days (%)	20 Calendar Days (%)	30 Calendar Days (%)	_____Calendar Days (%)

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REQUEST FOR PROPOSAL (RFP)

SERVICES TO A BUSINESS INTELLIGENCE SYSTEM

THE STATE OF SOUTH CAROLINA

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES

SCHEDULE OF KEY DATES IN THE PROPOSAL PROCESS

All dates subject to change

1.	Distribution of the Request for Proposal	04/05/2016
2.	Questions – Due Date (3:00 p.m.)	05/03/2016
3.	State's Written Responses to Questions (tentative)	05/17/2016
6.	Submission and Opening of Proposals (3:00 p.m.)	07/06/2016
7.	Intent to Award Posting Date (tentative)	10/11/2016
8.	Intent To Award Becomes Official (tentative)	10/24/2016
9.	Contract Performance	11/01/2016

QUESTIONS

All questions, comments, requests for information or clarifications regarding the Request for Proposal should be submitted in writing no later than 3:00 PM Eastern time, xx/xx/xx (Please see the Schedule of Key Dates, page three (3). Offerors are encouraged to submit questions as early as possible.

No questions, comments, requests for information or clarifications regarding the Request for Proposal will be accepted after 3:00 PM Eastern time, xx/xx/2016.

Do NOT wait to assert deviations, exceptions, etc. to anything in this Request for Proposal until (or in) the submission of your proposal. Any written questions, requests for information or request for clarifications received prior to the final deadline for submission of questions, 3 PM local time, xx/xx/2015, will be responded to in the form of a written amendment to the Request for Proposal and e-mailed to all prospective Offerors. The amendment will also be posted at the following web address: http://www.procurement.sc.gov . After the final deadline for submission of question no further questions regarding the Request for Proposal will be accepted.

SUBMISSION OF QUESTIONS

All questions, comments, requests for information or clarifications regarding this Request for Proposal must be submitted as indicated below. All questions, comments, requests for information or clarifications should, to the highest degree possible, cite the specific Request for Proposal section, RFP page number and paragraph number(s) to which the question refers. All questions, comments, requests for information or clarifications regarding this Request for Proposal should include the identity of the sender, firm name, mailing address, telephone number, and e-mail address. Email is the preferred method for submitting questions with "Questions: Services to support a Business Intelligence System" as the subject of the email. Submit questions in an easily copied format such as MS Word. Please do not submit questions in a table format.

Mark envelopes on questions mailed: QUESTIONS - Services to support a Business Intelligence System.

SEND QUESTIONS TO:

MAIL TO:
South Carolina Department of Health and Human Services
PO Box 8206
Columbia, SC 29202-8206
Attention Michele Mahon – J6

HAND DELIVER/EXPRESS:
South Carolina Department of Health and Human Services
1801 Main Street
Columbia, SC 29201
Attention Michele Mahon – J6
E-MAIL ADDRESS: Michele.Mahon@scdhhs.gov

1 SCOPE OF SOLICITATION

1.1 ACQUIRE SERVICES

The purpose of this solicitation is for South Carolina Department of Health and Human Services ("SCDHHS" or the "Department") to obtain a subset of the Medicaid Management Information System (MMIS); a Business Intelligence System (BIS) that can fully meet the specific CMS components of decision support subsystem (DSS), surveillance utilization review subsystem (SURS), Transformed Medicaid Statistical Information System (T-MSIS), and management administration reporting subsystem (MARS). Additionally, the system will provide the necessary functions, system capabilities and user features to efficiently deliver and promote SCDHHS' higher quality of care; promote new models and modernization of care delivery; manage costs and cost saving provisions; and through data verification programs and quality assurance initiatives, detect and reduce waste, fraud and abuse. A BIS is also referred to and is synonymous with a Reporting and Analytics (R&A) system.

SCDHHS is seeking the professional services of a qualified full-service R&A firm to work as a collaborative partner with SCDHHS and its contracted vendors in the support of the Department's efforts to replace its MMIS and BIS.

1.2 MAXIMUM CONTRACT PERIOD -– ESTIMATED (JAN 2006)

Start Date: November 1, 2016. End Date: October 31, 2021. Dates provided are estimates only. Any resulting contract will begin on the date specified in the notice of award. See clause entitled "Term of Contract – Effective Date / Initial Contract Period".

2   A. INSTRUCTIONS TO OFFERORS – General Instructions

2.1   DEFINITIONS, CAPITALIZATION, AND HEADINGS (FEB 2015)

CLAUSE HEADINGS USED IN THIS SOLICITATION ARE FOR CONVENIENCE ONLY AND SHALL NOT BE USED TO CONSTRUE MEANING OR INTENT. EVEN IF NOT CAPITALIZED, THE FOLLOWING DEFINITIONS ARE APPLICABLE TO ALL PARTS OF THE SOLICITATION, UNLESS EXPRESSLY PROVIDED OTHERWISE.

Acquired Item means the rights, goods and services acquired under this Contract.

Actual Operational Start Date means the actual date on which the South Carolina Department of Health and Human Services determines in its sole discretion that all services, supplies and equipment necessary to support the objectives and requirements of the Contract are operational substantially as a whole.

Amendment means a document issued to supplement the original solicitation document. Offerors are cautioned that Amendments may modify information provided on the Cover Page.

Administrative Service Organization (ASO) is an organization that provides outsourced solutions to meet administrative needs of the client. At the time of the publication of this solicitation, SCDHHS expects to utilize an ASO to administer the fee-for-service Medicaid claims operations.

Business Rule means a statement that defines or constrains some aspect of the business which is intended to assert business structure, or to control or influence the behavior of the business such as restrictions, guidelines, computations, inferences, timing, and triggers[1]. Business Rules include, but are not limited to, system edits and audits; pricing; laws, regulations, and policies; and other automatable or non-automatable elements of practicable guidance.

Change(s) means a change(s) to the Work or to the time of performance (i.e., hours of the day, days of the week, etc.), or place of performance of the Work.

Change Management Plan means the agreed plan under which any Changes to the Deliverables or Services will be managed during the term of the Contract.

Change Order means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual agreement of the parties to the contract.

Claim means a bill for services that is appropriate for the provider type and type of service(s), whether submitted as a paper claim or electronically, and identified by a unique Claim Control

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[1] Business Rules Group, *Defining Business Rules ~ What Are They Really?*,
http://www.businessrulesgroup.org/first_paper/br01c0.htm , downloaded April 24, 2014, and
Ronald G. Ross, *Business Rules Concepts (Fourth Edition)*, p. 38, Business Rules Solutions, 2013.

Number (CCN). A single claim is defined as a billing comprised of a single member with the same date of service (or range of dates for service), submitted by a single billing provider which may include one or more service(s) or document(s).

Commercially Available Off-The-Shelf (COTS) Software means Software that is (i) sold, leased or licensed, supported and maintained in substantial quantities in the commercial marketplace to the general public at fixed commercial charges under commercial license terms, including periodic maintenance; (ii) supported and evolved by the owner/vendor, who retains all intellectual property rights in and to such Software; (iii) available in multiple, identical copies; and (iv) used without source code modification; and (v) Source Code for which is not generally made available to licensees. COTS Software may be tailored or configured by or for the Licensee, but in no event shall COTS Software include any customization to Proprietary Contractor Software, Proprietary Third Party Software, or Publically Available Software. COTS Software shall include both Widely Used COTS Software and Limited Use COTS Software.

Configurable/Configuration means modification to Software which does not require changes to the Source Code for such Software, such as rules-based, rules engine based, or parameter driven modification to configure the Software.

Configuration Item means all functional and physical items included in the scope of configuration management, including hardware, software, and design.

Contract See clause entitled Contract Documents & Order of Precedence.

Contract Modification means a written order signed by the Procurement Officer, or his designee, directing the Contractor to make changes which the changes clause of the contract authorizes the Procurement Officer, or his designee, to order without the consent of the Contractor.

Contractor means the Offeror receiving an award as a result of this solicitation.

Cover Page means the top page of the original solicitation on which the solicitation is identified by number.

Custom Software means made-for-hire, custom written and customer specific software or Customizations to Proprietary Contractor Software, Proprietary Third Party Software or COTS Software, developed for the State pursuant to this contract by the Contractor, its subcontractors or any third party on behalf of Contractor and all documentation used to describe, maintain and use the software, and shall include object code, Source Code, documentation, and all error correction or Regulatory changes added to same. With respect to Software covered under other intellectual property types, minor modifications that are necessary to ensure interoperability of interfaces, databases, and security mechanisms, or to permit user interface consistency with other Department Software do not, by themselves, result in Custom Software; however, creation of standalone modules, substantial re-factoring of Source Code, and substantial changes in functionality normally indicate the creation of Custom Software.

Customization means any modification, alteration, or extension to Software requiring changes to the existing Source Code for such Software to achieve new or modified functionality.

Defect means any aspect of a Deliverable's performance that does not meet its requirements.

Deliverables means those items identified in the Contract to be delivered by the Contractor to the State including, without limitation, the Acquired Items, hardware, Services, Software, tangibles, and intangibles required hereunder.

Effective Date means the first day of the Maximum Contract Period as specified on the final statement of award issued by the State.

Encounter means a claim submitted by a managed care entity for reporting purposes only or a fee-for-service claim that has been adjudicated, priced, and paid or adjusted by an entity other than the ASO Contractor.

Intellectual Property Right(s) means (i) any patent, patent application, trademark (whether registered or unregistered), trademark application, trade name, service mark (whether registered or unregistered), service mark application, copyright (whether registered or unregistered, or derivative work), copyright application, trade secret, know-how, process, technology, development tool, ideas, concepts, design right, moral right, data base right, methodology, algorithm or invention, (ii) any right to use or exploit any of the foregoing, and (iii) any other proprietary right or intangible asset.

Key Personnel means the Account Manager, Implementation Manager, and Operations Manager required to be identified by name in Contractor's Offer, any approved successor to such named individuals and any other individual and his/her approved successor designated in Contractor's Offer as Key Personnel.

Laws means statutes, codes, rules, regulations, reporting or licensing requirements, ordinances, common law and other pronouncement having the effect of law of the United States or any state, county, city, or other political subdivision including those promulgated, interpreted or enforced by any government or regulatory authority, presently or hereinafter in effect.

Limited Use COTS Software means COTS Software for which the licensor has fewer than twenty-five (25) active customers paying for maintenance materially similar to that being offered to the State in this Contract or such maintenance revenue is less than five million ($5,000,000.00) per year.

Offer means the proposal submitted in response to this solicitation. The term Proposal is used interchangeably with the term Offer.

Offeror means the single legal entity submitting the offer.

Parties means both the Contractor and the State.

Physical Security means physical security at any site or other location housing systems maintained by Contractor or its agents or subcontractors in connection with the Services.

Processing means any operation or set of operations performed upon the State Data or State confidential information, whether or not by automatic means, such as creating, collecting, procuring, obtaining, accessing, recording, organizing, storing, adapting, altering, retrieving, consulting, using, disclosing or destroying.

Procurement Officer means the person, or his successor, identified as such on the Cover Page.

Proprietary Contractor Material means any Contractor owned data, information, material, proposals, manuals, designs, report text and formats, training documents, other documentation (including working papers), Proprietary Contractor Software, Software, Software modifications, and Customizations thereto (i) that existed prior to the Effective Date, or that are developed by Contractor after the Effective Date without the use of State Material and that are not based upon all or any portion of the State Material (such as a translation, enhancement, extension, modification, correction, upgrade, improvement, adaptation, abridgement, recasting, transformation or elaboration), and (ii) that are incorporated into the Deliverables or otherwise utilized by the Contractor in its performance of the Work under the Contract. Proprietary Contractor Material shall include any modifications to the materials listed above created by the Contractor or its subcontractors during the Contract Term.

Proprietary Contractor Software means non-custom written, non-made for hire computer software owned or supplied by the Contractor pursuant to this Contract, and documentation used to describe, maintain and use the software, and shall include without limitation Source Code for such Proprietary Software. Proprietary Contractor Software shall not include non-custom written, non-made for hire computer software owned or supplied by the Contractor which otherwise meets the definition of COTS Software as set out in this Section I.A.

Proprietary Third Party Software means non-custom written, non-made for hire Software owned or supplied by a Subcontractor of the Contractor or other third party and documentation used to describe, maintain and use the Software, and shall include without limitation Source Code for such Proprietary Software. Proprietary Third Party Software may be either licensed directly to the State by such Subcontractor or other third party or licensed via sublicense from the Contractor to the State. Proprietary Third Party Software shall not include COTS Software.

Proprietary Third Party Material means Software, data compilations or audio/visual/print materials the Intellectual Property Rights in and to which are owned by a third party, including Proprietary Third Party Software but excluding Public Material and COTS Software. Proprietary Third Party Material includes without limitation proprietary materials of the Contractor's Subcontractors that existed prior to the Effective Date, if any.

Public Material means any materials, including but not limited to Software, (i) ownership of the intellectual property rights in and to which are in the public domain, (ii) although privately owned, usage rights in and to which have been dedicated to public use such as open source Software and

publicly-available databases, or (iii) government-owned Software (e.g., GOTS) as defined by Law or Regulation.

Security Breach means (i) any circumstance pursuant to which applicable Laws requires notification of such breach to be given to affected parties or other activity in response to such circumstance; or (ii) any actual, attempted, suspected, threatened, or reasonably foreseeable circumstance that compromises, or could reasonably be expected to compromise, either Physical Security or Systems Security in a fashion that either does or could reasonably be expected to permit unauthorized Processing, use, disclosure or acquisition of or access to any the State Data or State Confidential Information.

Services means the services to be delivered by Contractor pursuant to the Contract Documents, including, without limitation, the Inherent Services described in Section VIIB.19.

Software means (i) a computer program that comprises a series of instructions, rules, routines, or statements, regardless of the media in which recorded, that allow or cause a computer to perform a specific operation or series of operations; and/or (ii) recorded information comprising source code listings, design details, algorithms, processes, flow charts, formulas, and related material that would enable the computer program to be produced, created, or compiled. Software includes all software documentation such as owner's manuals, user's manuals, installation instructions, operating instructions, and other similar items, regardless of storage medium, that explain the capabilities of the computer software or provide instructions for using the software.

Solicitation means this document, including all its parts, attachments, and any Amendments.

Source Code means all of the relevant files including documentation and instructions necessary to fully execute, maintain, duplicate, modify, compile, configure, deploy and operate the software in development and production environments.

Specification(s) means a detailed, exact statement of particulars such as a statement prescribing materials, dimensions, and quality of work.

State means the South Carolina Department of Health and Human Services.

State Confidential Information means all materials and information provided to the Contractor in performance of the contract, whether verbal or written or received via electronic transmission over a network, in whatever form recorded whether recorded in magnetic media, cards, moved electronically via a network or otherwise, all working papers, and other documents related to the Contract, including without limitation information relating to program beneficiaries and providers obtained in provision of the Work. State Confidential Information shall include but not be limited to the State Data.

State Data means the following, whether provided or produced before, on or after the Effective Date: (i) all information and data (copyrighted or otherwise) developed, derived, documented, stored, by the State under the Contract; (ii) all data that is provided by or on behalf of the State to Contractor in order for Contractor to provide the Work, including keyed input and electronic

capture of information by the Work; (iii) all records, files, reports and other data provided to Contractor by or on behalf of the State, or otherwise collected or obtained by Contractor, in connection with the Work; (iv) all results, technical information and materials developed and/or obtained in the performance of the Work hereunder including but not limited to, all reports, surveys, plans, charts, test data, program documentation, recordings (sound and/or video), pictures, drawings, analyses, graphic representations, printouts, notes and memoranda, and documents whether finished or unfinished, which result from or are prepared in connection with the Work performed hereunder, Source Code for all Software included in State Materials and (vi) all data, including all working papers, reports, charts, programs, and other material that is produced by means of the Work as an intermediate step in using or producing any of the State Data, including databases and files containing the State Data.

State Material means all State Data, and all proposals, manuals, designs, reports, training documents, other documentation (including working papers), all Custom Software, and any software modifications created by the Contractor or any of its Subcontractors pursuant to the Contract, including all Intellectual Property Rights therein, but excluding Proprietary Contractor Material, Public Material and Third Party Material

Subcontractor means any person having a contract to perform work or render service to Contractor as a part of the Contractor's agreement arising from this solicitation.

System Certification means the procedure by which the Centers for Medicare & Medicaid Services (CMS) validates that State Medicaid systems are designed to support the efficient and effective management of the program and satisfy the requirements set forth in Part 11 of the State Medicaid Manual (SMM), as well as subsequent laws, regulations, directives, and State Medicaid Director (SMD) letters. The certification process also validates that the systems are operating as described in the prior approval documents, i.e., Advance Planning Documents (APDs), Requests for Proposal (RFPs), and all associated contracts submitted to the Centers for Medicare and Medicaid Services (CMS) for the purpose of receiving Federal financial participation (FFP), CMS defines these requirements at https://www.cms.gov/Research-Statistics-Data-and-Systems/Computer-Data-and-Systems/MMIS/MECT.html A new toolkit that aligns to MITA3.0 is expected to be released prior to the certification process for the BIS. The Contractor will need to meet the criteria in the following checklists: Decision Support System – Data Warehouse Checklist; Federal Reporting Checklist; Program Management Reporting Checklist; and Program Integrity Checklist.

Systems Security means security of computer, electronic or telecommunications systems of any variety (including data bases, hardware, software, storage, switching and interconnection devices and mechanisms), and networks of which such systems are a part or communicate with, used directly or indirectly by Contractor or its agents or subcontractors in connection with the Work.

Targeted Fully Operational Start Date is the date on which the all services, supplies and equipment necessary to support the adjudication and payment of fee-for-service Medicaid claims and the enrollment and management of providers is planned to be operational substantially as a whole.

Vendor means the Offeror receiving an award as a result of this solicitation.

Widely Used COTS Software means COTS Software for which the licensor has at least twenty-five (25) active customers paying for maintenance materially similar to that being offered to the State in this Contract and such maintenance revenue is greater than or equal to five million ($5,000,000.00) per year.

Work means all labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations under the Contract.

You and Your means Offeror.

2.2   AMENDMENTS TO SOLICITATION (JAN 2004)

(a) This solicitation may be amended at any time prior to opening. All amendments to and interpretations of this solicitation shall be in writing from the State. The State shall not be legally bound by any amendment or interpretation that is not in writing. All actual and prospective Offerors should monitor the following web site for the issuance of amendments: http://www.procurement.sc.gov (b) Offerors shall acknowledge receipt of any amendment to this solicitation (1) by signing and returning the amendment, (2) by identifying the amendment number and date in the space provided for this purpose on Page Two, (3) by acknowledging receipt in the Offeror's Executive Summary, or (4) by submitting a proposal that indicates in some way that the Offeror received the amendment. (c) If this solicitation is amended, then all terms and conditions that are not modified by the amendment(s) remain unchanged.

2.3   AUTHORIZED AGENT (FEB 2015)

All authority regarding this procurement is vested solely with the responsible Procurement Officer. Unless specifically delegated in writing, the Procurement Officer is the only government official authorized to bind the government with regard to this procurement or the resulting contract. [02-2A007-1]

2.4   AWARD NOTIFICATION (FEB 2015)

Notice regarding any award, cancellation of award, or extension of award will be posted at the location and on the date specified on the Cover Page or, if applicable, any notice of extension of award. Should the contract resulting from this Solicitation have a total or potential value of one hundred thousand dollars or more, such notice will be sent to all Offerors responding to the Solicitation and any award will not be effective until the eleventh day after such notice is given. [02-2A010-2]

2.5 PROPOSAL AS OFFER TO CONTRACT (JAN 2004)

By submitting your proposal, you are offering to enter into a contract with the South Carolina Department of Health and Human Services. Without further action by either party, a binding contract shall result upon final award. Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror on the Cover Page. An offer may be submitted by only one (1) legal entity; "joint bids" are not allowed.

2.6 PROPOSAL ACCEPTANCE PERIOD

In order to withdraw his/her offer after the minimum period specified on the Cover Page, the Offeror must notify the Procurement Officer in writing. Otherwise, the offer remains valid until final award including through any periods consumed by protests.

2.7 BID IN ENGLISH & DOLLARS

Offers submitted in response to this solicitation shall be in the English language and in US dollars.

2.8 CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (MAY 2008)

Giving false, misleading, or incomplete information on this certification may render you subject to prosecution under Section 16-9-10 of the South Carolina Code of Laws and other applicable laws.

(a) By submitting an offer, the Offeror certifies that-

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other Offeror or competitor relating to-

(i) Those prices;

(ii) The intention to submit an offer; or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this offer have not been and will not be knowingly disclosed by the Offeror, directly or indirectly, to any other Offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the Offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory-

(1) Is the person in the Offeror's organization responsible for determining the prices being offered in this proposal, and that the signatory has not participated and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this certification; or

(2)(i) Has been authorized, in writing, to act as agent for the Offeror's principals in certifying that those principals have not participated, and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this certification [As used in this subdivision (b)(2)(i), the term "principals" means the person(s) in the Offeror's organization responsible for determining the prices offered in this proposal];

(ii) As an authorized agent, does certify that the principals referenced in subdivision (b)(2)(i) of this certification have not participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this certification; and

(iii) As an agent, has not personally participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this certification.

(c) If the Offeror deletes or modifies paragraph (a)(2) of this certification, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.

2.9 CERTIFICATION REGARDING DEBARMENT AND OTHER RESPONSIBILITY MATTERS (JAN 2004)

(a)(1) By submitting an Offer, Offeror certifies, to the best of its knowledge and belief, that-

(i) Offeror and/or any of its Principals-

Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency;

(B) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision.

(ii) Offeror has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any public (Federal, state, or local) entity.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a

business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

(b) Offeror shall provide immediate written notice to the Procurement Officer, or his designee, if, at any time prior to contract award, Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) If Offeror is unable to certify the representations stated in paragraphs (a)(1), Offeror must submit a written explanation regarding its inability to make the certification. The certification will be considered in connection with a review of the Offeror's responsibility. Failure of the Offeror to furnish additional information as requested by the Procurement Officer, or his designee, may render the Offeror nonresponsive.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly or in bad faith rendered an erroneous certification, in addition to other remedies available to the State, the Procurement Officer, or his designee, may terminate the contract resulting from this solicitation for default without cost to the S.C. Department of Health and Human Services or the State and the Contractor will be charged for the cost of replacement goods and services.

2.10 CODE OF LAWS AVAILABLE (JAN 2006)

The South Carolina Code of Laws, including the Consolidated Procurement Code, is available at: http://www.scstatehouse.gov/code/statmast.php. The South Carolina Regulations are available at: http://www.scstatehouse.gov/coderegs/statmast.php.

2.11 DISCLOSURE OF CONFLICTS OF INTEREST OR UNFAIR COMPETITIVE ADVANTAGE (FEB 2015)

You warrant and represent that your offer identifies and explains any unfair competitive advantage you may have in competing for the proposed contract and any actual or potential conflicts of interest that may arise from your participation in this competition or your receipt of an award. The two underlying principles are (a) preventing the existence of conflicting roles that might bias a contractor's judgment, and (b) preventing an unfair competitive advantage. If you have an unfair competitive advantage or a conflict of interest, the state may withhold award. Before withholding award on these grounds, an offeror will be notified of the concerns and provided a reasonable opportunity to respond. Efforts to avoid or mitigate such concerns, including restrictions on future activities, may be considered.

Without limiting the foregoing, you represent that your offer identifies any services that relate to either this solicitation or the work and that has already been performed by you, a proposed subcontractor, or an affiliated business of either. [02-2A047-2]

2.12 DEADLINE FOR SUBMISSION OF OFFER (JAN 2004)

Any offer received after the Procurement Officer of the governmental body or his designee has declared that the time set for opening has arrived, shall be rejected unless the offer has been delivered to the designated purchasing office or the governmental body's mail room which services that purchasing office prior to the opening. [R.19-445.2070(G)] [02-2A050-1]

2.13 DRUG FREE WORK PLACE CERTIFICATION (JAN 2004)

By submitting an Offer, Contractor certifies that, if awarded a contract, Contractor will comply with all applicable provisions of The Drug-free Workplace Act, Title 44, Chapter 107 of the South Carolina Code of Laws, as amended. [02-2A065-1]

2.14 DUTY TO INQUIRE (FEB 2015)

Offeror, by submitting an Offer, represents that it has read and understands the Solicitation and that its Offer is made in compliance with the Solicitation. Offerors are expected to examine the Solicitation thoroughly and should request an explanation of any ambiguities, discrepancies, errors, omissions, or conflicting statements in the Solicitation. Failure to do so will be at the Offeror's risk. All ambiguities, discrepancies, errors, omissions, or conflicting statements in the Solicitation shall be interpreted to require the better quality or greater quantity of work and/or materials, unless otherwise directed by amendment. Offeror assumes responsibility for any patent ambiguity in the Solicitation that Offeror does not bring to the State's attention. See clause entitled "Questions from Offerors." [02-2A070-2]

2.15 ETHICS CERTIFICATE

By submitting an offer, the Offeror certifies that the Offeror has and will comply with, and has not, and will not, induce a person to violate Title 8, Chapter 13 of the South Carolina Code of Laws, as amended (ethics act). The following statutes require special attention: Section 8-13-700, regarding use of official position for financial gain; Section 8-13-705, regarding gifts to influence action of public official; Section 8-13-720, regarding offering money for advice or assistance of public official; Sections 8-13-755 and 8-13-760, regarding restrictions on employment of a former public official; Section 8-13-775, prohibiting public official with economic interests from acting on contracts; Section 8-13-790, regarding recovery of kickbacks; Section 8-13-1150, regarding statements to be filed by consultants; and Section 8-13-1342, regarding restrictions on contributions by Contractor to candidate who participated in awarding of contract. The State may rescind any contract and recover all amounts expended as a result of any action taken in violation of this provision. If Contractor

participates, directly or indirectly, in the evaluation or award of public contracts, including without limitation, change orders or task orders regarding a public contract, Contractor shall, if required by law to file such a statement, provide the statement required by Section 8-13-1150 to the Procurement Officer at the same time the law requires the statement to be filed.

2.16 IRAN DIVESTMENT ACT – CERTIFICATION (JAN 2015)

(a) The Iran Divestment Act List is a list published by the Board pursuant to Section 11-57-310 that identifies persons engaged in investment activities in Iran. Currently, the list is available at the following URL: http://procurement.sc.gov/PS/PS-iran-divestment.phtm (.) Section 11-57-310 requires the government to provide a person ninety days written notice before he is included on the list. The following representation, which is required by Section 11-57-330(A), is a material inducement for the State to award a contract to you. (b) By signing your Offer, you certify that, as of the date you sign, you are not on the then-current version of the Iran Divestment Act List. (c) You must notify the Procurement Officer immediately if, at any time before posting of a final statement of award, you are added to the Iran Divestment Act List. [02-2A077-1]

2.17 OMIT TAXES FROM PRICE (JAN 2004)

Do not include any sales or use taxes in Your price that the State may be required to pay. [02-2A080-1]

2.18 PROHIBITED COMMUNICATIONS AND DONATIONS (FEB 2015)

Violation of these restrictions may result in disqualification of your offer, suspension or debarment, and may constitute a violation of law.

(a) During the period between publication of the solicitation and final award, you must not communicate, directly or indirectly, with the Using Governmental Unit or its employees, agents or officials regarding any aspect of this procurement activity, unless otherwise approved in writing by the Procurement Officer. All communications must be solely with the Procurement Officer. [R. 19-445.2010]

(b) You are advised to familiarize yourself with Regulation 19-445.2165, which restricts donations to a governmental entity with whom you have or seek to have a contract. You represent that your offer discloses any gifts made, directly or through an intermediary, by you or your named subcontractors to or for the benefit of the Using Governmental Unit during the period beginning eighteen months prior to the Opening Date. [R. 19-445.2165] [02-2A087-1]

2.19 PROTESTS

Any prospective Offeror, Contractor, or subcontractor who is aggrieved in connection with the solicitation of a contract shall protest (and it must be actually received) within fifteen (15) days of the date of issuance of the applicable solicitation document at issue pursuant to S.C. Code Section 11-35-4210. Any actual Offeror, Contractor, or subcontractor who is aggrieved in connection with the intent to award of a contract shall protest (and it must be actually received) within ten (10) days of the date notification of the intent to award is posted also in accordance with S.C. Code Section 11-35-4210. A protest shall be in writing, shall set forth the grounds of the protest and the relief requested with enough particularity to give notice of the issues to be decided, and must be received by the appropriate Chief Procurement Officer within the time provided. Protests may be filed electronically as set out below but again must be actually received by the applicable deadline to be timely. All risks of actual receipt are upon the party filing the protest.

Any protest must be addressed to the Chief Procurement Officer, Information Technology Management Office, and submitted in writing (a) by email to protest-itmo@itmo.sc.gov, (b) by facsimile at 803-737-0102, or (c) by post or delivery to 1201 Main Street, Suite 601, Columbia, SC 29201.

2.20 PUBLIC OPENING

Offers will be publicly opened at the date/time and at the location identified on the Cover Page, or last Amendment, whichever is applicable. Contents and the identity of competing offers shall not be disclosed during the process of opening by state personnel.

2.21 QUESTIONS FROM OFFERORS (FEB 2015)

(a) Any prospective offeror desiring an explanation or interpretation of the solicitation, drawings, specifications, etc., must request it in writing. Questions regarding the original solicitation or any amendment must be received by the Procurement Officer no later than five (5) days prior to opening unless an earlier date is stated on the Cover Page. Label any communication regarding your questions with the name of the procurement officer, and the solicitation's title and number. Oral explanations or instructions will not be binding. [See R. 19-445.2042(B)] Any information given a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an Amendment to the solicitation, if that information is necessary for submitting offers or if the lack of it would be prejudicial to other prospective offerors. See clause entitled "Duty to Inquire." We will not identify you in our answer to your question. (b) The State seeks to permit maximum practicable competition. Offerors are urged to advise the Procurement Officer -- as soon as possible -- regarding any aspect of this procurement, including any aspect of the Solicitation that unnecessarily or inappropriately limits full and open competition. [See R. 19-445.2140] [02-2A095-2]

2.22 REJECTION/CANCELLATION

The State may cancel this Solicitation in whole or in part and may reject any or all proposals in whole or in part as provided by applicable statutory, regulatory, or interpretive authorities.

2.23 RESPONSIVENESS/IMPROPER OFFERS (JUN 2015)

(a) Bid as Specified. Offers for supplies or services other than those specified will not be considered unless authorized by the Solicitation.

(b) Multiple Offers. Offerors may submit more than one Offer, provided that each Offer has significant differences other than price. Each separate Offer must satisfy all Solicitation requirements. If this solicitation is an Invitation for Bids, each separate offer must be submitted as a separate document. If this solicitation is a Request for Proposals, multiple offers may be submitted as one document, provided that you clearly differentiate between each offer and you submit a separate cost proposal for each offer, if applicable. (c) Responsiveness. Any Offer which fails to conform to the material requirements of the Solicitation may be rejected as nonresponsive. Offers which impose conditions that modify material requirements of the Solicitation may be rejected. If a fixed price is required, an Offer will be rejected if the total possible cost to the State cannot be determined. Offerors will not be given an opportunity to correct any material nonconformity. Any deficiency resulting from a minor informality may be cured or waived at the sole discretion of the Procurement Officer. [R.19-445.2070 and Section 11-35-1520(13)]

(d) Price Reasonableness: Any offer may be rejected if the Procurement Officer determines in writing that it is unreasonable as to price. [R. 19-445.2070].

(e) Unbalanced Bidding. The State may reject an Offer as nonresponsive if the prices bid are materially unbalanced between line items or subline items. A bid is materially unbalanced when it is based on prices significantly less than cost for some work and prices which are significantly overstated in relation to cost for other work, and if there is a reasonable doubt that the bid will result in the lowest overall cost to the State even though it may be the low evaluated bid, or if it is so unbalanced as to be tantamount to allowing an advance payment.

(f) Do not submit bid samples or descriptive literature unless expressly requested. Unsolicited bid samples or descriptive literature will not be examined or tested, will not be used to determine responsiveness, and will not be deemed to vary any of the provisions of the solicitation. S.C. Code Ann. Reg. 19-445.2077(D). [02-2A105-2]

2.24 SIGNING YOUR OFFER (JAN 2004)

Every Offer must be signed by an individual with actual authority to bind the Offeror. (a) If the Offeror is an individual, the Offer must be signed by that individual. If the Offeror is an individual doing business as a firm, the Offer must be submitted in the firm name, signed by the individual, and state that the individual is doing business as a firm. (b) If the Offeror is a partnership, the Offer must be submitted in the partnership name, followed by the words

"by its Partner," and signed by a general partner. (c) If the Offeror is a corporation, the Offer must be submitted in the corporate name, followed by the signature and title of the person authorized to sign. (d) An Offer may be submitted by a joint venturer involving any combination of individuals, partnerships, or corporations. If the Offeror is a joint venturer, the Offer must be submitted in the name of the joint venture and signed by every participant in the joint venture in the manner prescribed in paragraphs (a) through (c) above for each type of participant. (e) If an Offer is signed by an agent, other than as stated in subparagraphs (a) through (d) above, the Offer must state that it has been signed by an Agent. Upon request, Offeror must provide proof of the agent's authorization to bind the principal.

2.25 STATE OFFICE CLOSINGS

If an emergency or unanticipated event interrupts normal government processes so that offers cannot be received at the South Carolina Department of Health and Human Services office by the exact time specified in the solicitation, the time specified for receipt of offers will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal government processes resume. In lieu of an automatic extension, an Amendment may be issued to reschedule the proposal opening. If state offices are closed at the time a pre-proposal conference is scheduled, an Amendment will be issued to reschedule the conference. Useful information may be available at: http://scemd.org/closings

2.26 SUBMITTING A PAPER OFFER OR MODIFICATION (MAR 2015)

Unless specifically instructed otherwise in the solicitation, you should submit your offer or modification in accordance with the clause titled "ON-LINE BIDDING INSTRUCTIONS." Paper offers are discouraged. If you must submit a paper offer or modification the following instructions apply. (a) All prices and notations should be printed in ink or typewritten. Errors should be crossed out, corrections entered and initialed by the person signing the bid. Do not modify the solicitation document itself (including bid schedule). (b) (1) All copies of the offer or modification, and any other documents required to be submitted with the offer shall be enclosed in a sealed, opaque envelope or package. (2) Submit your offer or modification to the address on the Cover Page. (3) The envelope or package must show the time and date specified for opening, the solicitation number, and the name and address of the bidder. If the offer or modification is sent by mail or special delivery service (UPS, Federal Express, etc.), the outermost envelope or wrapper must be labeled "OFFER ENCLOSED" on the face thereof. (c) If you are responding to more than one solicitation, submit each offer in a separate envelope or package. (d) Submit the number of copies indicated on the Cover Page. (e) Facsimile or e-mail offers, modifications, or withdrawals, will not be considered unless authorized by the Solicitation. [02-2A130-2]

2.27 SUBMITTING CONFIDENTIAL INFORMATION (FEB 2015)

(An overview is available at www.procurement.sc.gov) For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the word "CONFIDENTIAL" every page, or portion thereof, that Offeror contends contains information that is exempt from public disclosure because it is either (a) a trade secret as defined in Section 30-4-40(a)(1), or (b) privileged and confidential, as that phrase is used in Section 11-35-410. For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the words "TRADE SECRET" every page, or portion thereof, that Offeror contends contains a trade secret as that term is defined by Section 39-8-20 of the Trade Secrets Act. For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the word "PROTECTED" every page, or portion thereof, that Offeror contends is protected by Section 11-35-1810. All markings must be conspicuous; use color, bold, underlining, or some other method in order to conspicuously distinguish the mark from the other text. Do not mark your entire response (bid, proposal, quote, etc.) as confidential, trade secret, or protected. If your response, or any part thereof, is improperly marked as confidential or trade secret or protected, the State may, in its sole discretion, determine it nonresponsive. If only portions of a page are subject to some protection, do not mark the entire page. By submitting a response to this solicitation or request, Offeror (1) agrees to the public disclosure of every page of every document regarding this solicitation or request that was submitted at any time prior to entering into a contract (including, but not limited to, documents contained in a response, documents submitted to clarify a response, and documents submitted during negotiations), unless the page is conspicuously marked "TRADE SECRET" or "CONFIDENTIAL" or "PROTECTED", (2) agrees that any information not marked, as required by these bidding instructions, as a "Trade Secret" is not a trade secret as defined by the Trade Secrets Act, and (3) agrees that, notwithstanding any claims or markings otherwise, any prices, commissions, discounts, or other financial figures used to determine the award, as well as the final contract amount, are subject to public disclosure. In determining whether to release documents, the State will detrimentally rely on Offeror's marking of documents, as required by these bidding instructions, as being either "Confidential" or "Trade Secret" or "PROTECTED". By submitting a response, Offeror agrees to defend, indemnify and hold harmless the State of South Carolina, its agencies, officers and employees, from every claim, demand, loss, expense, cost, damage or injury, including attorney's fees, arising out of or resulting from withholding information by the State of South Carolina or any of its agencies, that Offeror marked as "confidential" or "trade secret" or "PROTECTED". (All references to S.C. Code of Laws.) [02-2A125-2].

2.28 PREPARATION OF PROPOSAL

The contents of your offer must be divided into two parts, the technical proposal and the business proposal. Each part should be bound in a single volume. (a) All Offers should be complete and carefully worded and should convey all of the information requested. (b) Offers should be prepared simply and economically, providing a straightforward, concise

description of Offeror's capabilities to satisfy the requirements of the Request for Proposal. Emphasis should be on completeness and clarity of content. (c) If your Offer includes any comment over and above the specific information requested in our Request for Proposal, you are to include this information as a separate appendix to your offer. Offers which include either modifications to any of the Request for Proposal's contractual requirements or an Offeror's standard terms and conditions may be deemed non-responsive and not considered for award.

2.29 TAX CREDIT FOR SUBCONTRACTING WITH DISADVANTAGED SMALL BUSINESSES (JAN 2008)

Pursuant to Section 12-6-3350, a taxpayer having a contract with this State who subcontracts with a socially and economically disadvantaged small business is eligible for an income tax credit equal to four percent of the payments to that subcontractor for work pursuant to the contract. The subcontractor must be certified as a socially and economically disadvantaged small business as defined in Section 11-35-5010 and regulations pursuant to it. The credit is limited to a maximum of fifty thousand dollars annually. A taxpayer is eligible to claim the credit for ten consecutive taxable years beginning with the taxable year in which the first payment is made to the subcontractor that qualifies for the credit. After the above ten consecutive taxable years, the taxpayer is no longer eligible for the credit. A taxpayer claiming the credit shall maintain evidence of work performed for the contract by the subcontractor. The credit may be claimed on Form TC-2, "Minority Business Credit." A copy of the subcontractor's certificate from the Governor's Office of Small and Minority Business (OSMBA) is to be attached to the Contractor's income tax return. Questions regarding the tax credit and how to file are to be referred to: SC Department of Revenue, Research and Review, Phone: (803) 898-5786, Fax: (803) 898-5888. Questions regarding subcontractor certification are to be referred to: Governor's Office of Small and Minority Business Assistance, Phone: (803) 734-0657, Fax: (803) 734-2498.

2.30 WITHDRAWAL OR CORRECTION OF OFFER (JAN 2004)

Offers may be withdrawn by written notice received at any time before the exact time set for opening. A proposal may be withdrawn in person by an Offeror or its authorized representative if, before the exact time set for opening, the identity of the person requesting withdrawal is established and the person signs a receipt for the proposal. The withdrawal and correction of Offers is governed by S.C. Code Section 11-35-1520 and Regulation 19-445.2085.

2.31 RELEASE OF CLAIMS

With the submission of a proposal, each Offeror agrees that it will not bring any claim or have any cause of action against the South Carolina Department of Health and Human Services based on any misunderstanding, failure by the South Carolina Department of Health and Human Services to properly convey the information, or failure by the South Carolina

Department of Health and Human Services to provide the Offeror with pertinent information as intended by the Request for Proposal. Additionally, the Offeror, its officers, agents, or representatives waive and release the South Carolina Department of Health and Human Services and each and any entity, person, or other source providing any information concerning the Offeror, of any and all claims of any sort or variety whether in tort, contract or otherwise, whether known or unknown, regarding the Offeror's or subcontractor's past performance, products, services, personnel, reputation or its Subcontractors or any other information sought or obtained by the South Carolina Department of Health and Human Services, whether or not the information is relied on by the South Carolina Department of Health and Human Services. The Offeror agrees that it will assert no claims for proposal preparation costs arising from a protest, action or claim arising from the solicitation or award.

2.32 VENDOR REGISTRATION MANDATORY (JAN 2006)

Offerors must have a state vendor number to be eligible to submit an offer. To obtain a state vendor number, visit www.procurement.sc.gov and select "New Vendor Registration." (To determine if your business is already registered, go to "Vendor Search".) Upon registration, you will be assigned a state vendor number. Vendors must keep their vendor information current. If you are already registered, you can update your information by selecting "Change Vendor Registration."   (Please note that vendor registration does not substitute for any obligation to register with the S.C. Secretary of State or S.C. Department of Revenue. You can register with the agencies at http://www.scbos.com/default.htm.)

2 B. INSTRUCTIONS TO OFFERORS – Special Instructions

2.33 CLARIFICATION (NOV 2007)

Pursuant to Section 11-35-1520(8), the Procurement Officer may elect to communicate with you after opening for the purpose of clarifying either your offer or the requirements of the solicitation. Such communications may be conducted only with offerors who have submitted an offer which obviously conforms in all material aspects to the solicitation. Clarification of an offer must be documented in writing and included with the offer. Clarifications may not be used to revise an offer or the solicitation. [Section 11-35-1520(8); R.19-445.2080] [02-2B055-1]

2.34 CONTENTS OF OFFER (RFP) (FEB 2015)

(a) Offers should be complete and carefully worded and should convey all of the information requested.
(b) Offers should be prepared simply and economically, providing a straightforward, concise description of offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
(c) The contents of your offer must be divided into two parts, the technical proposal and the business proposal. Each part should be bound in a single volume.
(d) If your offer includes any comment over and above the specific information requested in the solicitation, you are to include this information as a separate appendix to your offer. Offers which include either modifications to any of the solicitation's contractual requirements or an offeror's standard terms and conditions may be deemed non-responsive and not considered for award. [02-2B040-2]

2.35 ELECTRONIC COPIES – REQUIRED MEDIA AND FORMAT (MAR 2015)

In addition to your original offer, you must submit an electronic copy or copies on compact disk (CD), DVD, or USB drive. Submit the number of copies indicated on the cover page. Each copy should be on separate media. Your business and technical proposals must be on separate media. Every disk or USB drive must be labeled with the solicitation number and the offeror's name, and specify whether its contents address technical proposal or business proposal. If multiple-disk sets are provided, each disk in the set must be appropriately identified as to its relationship to the set, e.g., 1 of 2. The electronic copy must be identical to the original offer. File format shall be compatible with Microsoft Office (version 2003 or later), or Adobe Acrobat or equivalent Portable Document Format (.pdf) viewer. The Procurement Officer must be able to view, search, copy and print electronic documents without a password. [02-2B070-2]

2.36 MAGNETIC MEDIA WITH DEMONSTRATION / PRESENTATION

Compact discs included with your offer may include a demonstration of the proposed solution and/or a presentation of your offer. The following formats are acceptable: those supported by Microsoft Office products and Adobe .pdf. Alternate formats must be pre-approved by the Procurement Officer.

2.37 MAIL PICKUP (JAN 2006)

The State Procurement Office picks up all mail from The US Postal Service once daily around 8:30 a.m. (excluding weekends and holidays). See provision entitled Deadline for Submission of Offer. [02-2B080-1]

2.38 OPENING PROPOSALS -- INFORMATION NOT DIVULGED (FEB 2015)

In competitive sealed proposals, neither the number or identity of offerors nor prices will be divulged at opening. [Section 11-35-1530 & R. 19-445.2095(C) (1)] [02-2B110-2]

2.39 PROTEST - CPO - ITMO ADDRESS (JUNE 2006)

Any protest must be addressed to the Chief Procurement Officer, Information Technology Management Office, and submitted in writing (a) by email to protest-itmo@itmo.sc.gov, (b) by facsimile at 803-737-0102, or (c) by post or delivery to 1201 Main Street, Suite 601, Columbia, SC 29201. [02-2B120-1]

3 SCOPE OF WORK (STATEMENT OF OBJECTIVES)

A Statement of Objectives (SOO) focuses on "what" functions a Contractor and the technology solutions must perform rather than "how" the Contractor must perform those functions. Each subsection describes the objectives and strategy that SCDHHS believes will achieve the best overall solution for the State's BIS.

This SOO makes no attempt to enumerate every possible duty, task, or Deliverable necessary to achieve success on this Contract. Offerors should not assume that lack of detail in a specific area indicates that the Contractor will have no duties in that area. Each Offeror must craft a solution that fulfills the State's objectives and requirements in a cost-effective manner, and those solutions will include many details not specifically discussed in the SOO.

Offerors have flexibility in adjusting the tradeoffs inherent in solution design to achieve a "balanced value." Many objectives describe the end result and allow Offerors to propose the details of how their solutions meet the objectives (with State approval or within certain constraints). Requirements and objectives identified with "shall" or "must" are mandatory while those identified with "should" or other similar terms provide additional flexibility for the Offerors.

Because of the more general nature of a SOO, Offerors should identify not only what Work is part of their solutions but also what Work they believe is clearly out of scope. This approach will help clarify scope boundaries for both Parties.

3.1 Background

A Medicaid Management Information System (MMIS) is a system that meets the intent of a "mechanized claims payment and information retrieval system" as described in the Code of Federal Regulations (CFR) at 42 CFR 433.111. This solicitation addresses a subset of the MMIS: a Business Intelligence System (BIS) that can fully meet the specific CMS components of decision support subsystem (DSS), surveillance utilization review subsystem (SURS), Transformed Medicaid Statistical Information System (T-MSIS), and management administration reporting subsystem (MARS) – as well as provide the necessary functions, system capabilities and user features to efficiently deliver and promote SCDHHS' higher quality of care; promote new models and modernization of care delivery; manage costs and cost saving provisions; and through data verification programs and quality assurance initiatives, detect and reduce waste, fraud and abuse.

SCDHHS is a cabinet agency of the South Carolina Governor's Office. SCDHHS serves as the single state agency designated to administer the South Carolina Medicaid program in compliance with state and federal laws and regulations and the South Carolina State Plan for Medical Assistance.

Healthy Connections (Medicaid) is South Carolina's grant-in-aid program by which the Federal and state governments share the cost of providing medical care for needy persons who have low income. Title XIX of the Social Security Act, signed into law on July 30, 1965, authorized the Medicaid program; South Carolina began participation in Medicaid in July 1968.

Agency Organization

Figure 3.3-1 illustrates the SCDHHS BIS Project Team organization as of the date this RFP is released. There are no assurances that the organizational structure or personnel will remain unchanged during the term of the ensuing Contract.
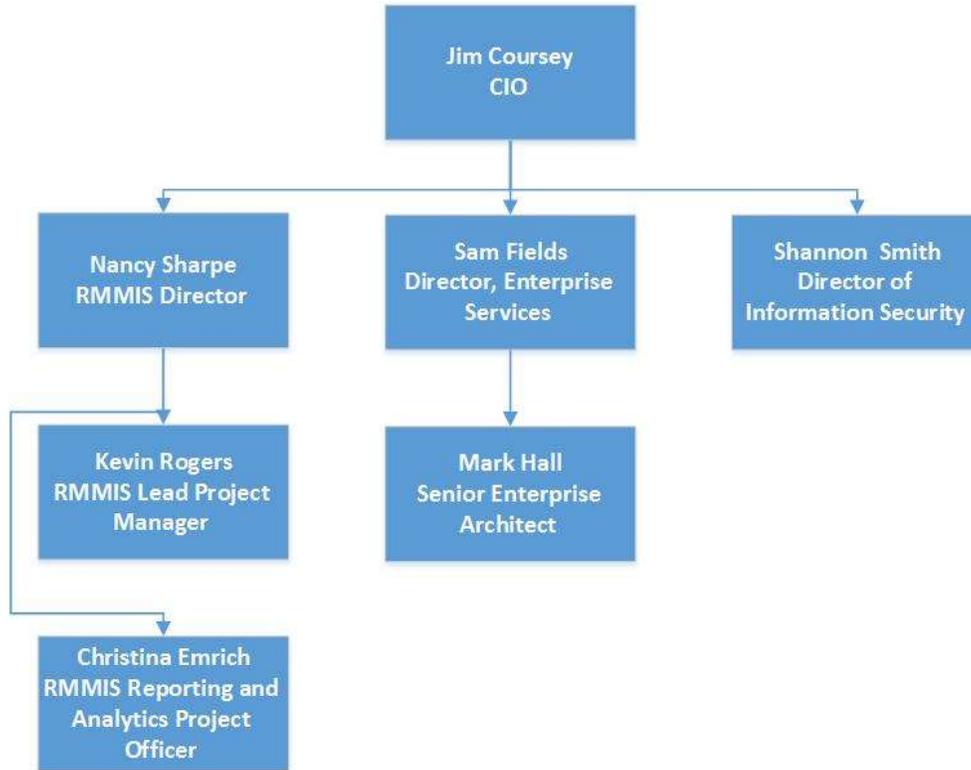
 Figure 3.1-1 SCDHHS Organization Chart

SCDHHS Director

The Director is a Cabinet-level official appointed by the Governor and serves as the State Medicaid Director. The Director is Christian L. Soura.

Office of Information Management & CIO

The Office of Information Management & CIO reports to the Director and is responsible for the management and oversight of the RMMIS Program, including the BIS project. An RMMIS Program Management Office (PMO), separate and apart from the department-wide PMO, will oversee the BIS project and is led by Nancy Sharpe. The Contractor shall receive day-to-day direction from the SCDHHS BIS Project Officer/Project Manager.

Chief Financial Officer (CFO)

For all contractual matters the Contractor must address these topics with and receive approval from the Contract Administrator. The Contract Administrator works in the Finance and Contract Management section and reports to the department's Controller, who reports to the CFO.

Key Stakeholders

Below is a chart of key SCDHHS stakeholders that the Contractor may interface with.

Position	Key Personnel	Role/Responsibility
Program Sponsor	Jim Coursey	As the Chief Information Officer (CIO) for SCDHHS, this position is responsible for the design, development, release and maintenance of all technology systems and services for the agency to include an IT modernization plan that delivers agile, secure, integrated and responsive solutions to SCDHHS and its stakeholders. The CIO will serve as the Program Sponsor for the RMMIS Program, including the BIS project.
RMMIS Program Director	Nancy Sharpe	Provides oversight of RMMIS Program operations, including all currently implemented RMMIS activities, existing vendors and newly procured vendor solutions.
RMMIS Program Lead Project Manager	Kevin Rogers	Reports to the RMMIS Program Director; ensures sound project management practices throughout the life of the project to include effectively managing project scope, schedule, cost, risk mitigation, communications, resource planning, quality and enterprise integration.
Enterprise Systems Program Manager	Sam Fields	Reports to the CIO; responsible for the day-to-day enterprise systems to include the MMIS, Provider Operations, Provider Outreach and Claims Operations.

Position	Key Personnel	Role/Responsibility
RMMIS Reporting and Analytics Project Officer	Christina Emrich	Reports to the RMMIS Program Director; responsible for day-to-day sub-project planning and execution; works with the RMMIS Program Lead Project Manager, RMMIS Program Director and Functional Department Managers in order to complete preliminary research, gather requirements, complete user acceptance testing and secure associated reviews.
Contract Administrator	TBD	The Contract Administrator works in the Finance and Contract Management section and reports to the department's Controller, who reports to the CFO. The Contract Administrator is responsible for monitoring and enforcing the terms of the Contract.
Senior Enterprise Architect	Mark Hall	Reports to the CIO and the Enterprise Systems Program Manager; provides enterprise-wide technology planning and guidance.
Director of Information Security	Shannon Smith	Reports to the CIO; ensures compliance with CMS for System Security Plans, Interconnection Security Agreements, and Computer Matching Agreements; conducts MMIS-related interviews and audits.
Director of Program Integrity	Cathy Hyman	Reports to Lead General Counsel; provides input on project requirements regarding Program Integrity needs, system development, and user acceptance testing.
Director of Planning and Budget	Heather Tucker	Reports to the CFO; provides input on project requirements regarding Financial/Analytic needs, system development and user acceptance testing.
State SMEs • Health Programs • Program Integrity • Long Term Care • Behavioral Health • Finance	Program Area Representatives	Provides subject matter expertise regarding requirements, design, development, and testing; represents program area interests as project stakeholders.

Position	Key Personnel	Role/Responsibility
• Reporting • Claims Operations and Provider Relations		

Table 3.1-1 SCDHHS Stakeholders

Independent Verification and Validation (IV&V)

Pursuant to 45 CFR §95.626, SCDHHS will utilize resources, external to this Contract, to perform independent verification and validation services. The BIS Contractor shall cooperate with the IV&V team. The IV&V contractor will report directly to CMS and the SCDHHS CIO.

Resource Information

Statistics concerning the State's Medicaid program, and other related programs can be found in the Procurement Library. The BIS Procurement Library may be found at the following URL: %%xxxxxxxxxxxxxxxxxxxx.gov. Information that will be included in the Procurement Library include but is not limited to the following:

- List of information available in the Procurement Library
- Five year history of claim volumes
- Statistics on member eligibility tables and number of records
- Reference tables and number of records

The Procurement Library will be updated as an Amendment to the Solicitation.

3.2 Objectives

The objective of SCDHHS is to acquire a BIS that can fully meet the specific needs of each of the main components of the BIS – the DSS, SURS, T-MSIS and MARS – as well as provide the necessary functions, system capabilities and user features to efficiently deliver and promote SCDHHS' higher quality of care; promote new models and modernization of care delivery; manage costs and cost saving provisions; and through data verification programs and quality assurance initiatives, detect and reduce waste, fraud and abuse. At some point during the term of this contract, SCDHHS may decide to build and operate its own T-MSIS at which point the selected Contractor will no longer be responsible for operating the T-MSIS solution.

3.3 Project Goals

SCDHHS' goal is to acquire a system to accomplish the objectives set out in the RFP. The successful Offeror will blend the combination of excellence and innovation into a solution that represents the top value to the State. In this light, the BIS Project has the following top-level project goals:

3.3.1 *Cost*

- Use information technology (IT) to improve the efficiency and effectiveness of SCDHHS operations at all organizational levels.
- Use IT to enable opportunities to reduce the growth in the cost of care provided to Medicaid beneficiaries.
- Reduce the occurrence of fraud, waste, and abuse in SCDHHS health programs by the implementation of predictive algorithms.
- Reduce the cost of routine change (e.g., changes in user interfaces, IT, and so on).

3.3.2 *Quality of Care*

Use access to information and efficiencies driven by IT to allow SCDHHS to focus more resources on measuring and improving the quality of care for beneficiaries; and complying with Federal and State quality requirements.

3.3.3 *Business Effectiveness*

- Increase the use of business measurement within SCDHHS consistent with Medicaid Information Technology Architecture (MITA) expectations.
- Improve consistency of applying program requirements and standards and reduce the amount of training needed for employees.

3.3.4 *Technology*

- Utilize a system that meets State requirements principally by the use of configuration rather than customization.
- Achieve the MITA technical goals and objectives to the greatest extent practical (standards, security, interoperability, adaptability, extensibility, etc.).
- Function "natively" with National Provider Identifier (NPI)/taxonomy, Accredited Standards Committee (ASC) X12 Version 5010, Revision 10 of the International Classification of Diseases (ICD-10), and National Council for Prescription Drug Programs (NCPDP) D.0 without the need for crosswalks to legacy standards.

3.3.5 *Design, Development, and Installation*

- Achieve System Certification on the first attempt and at the earliest opportunity permissible by the Centers for Medicare and Medicaid Services (CMS).
- Share risk between the State and Contractor in a fashion that permits flexibility for both parties while keeping disciplined project controls in place.

- Control risk by imposing realism on the planning process rather than assuming the best possible outcome will always occur.

3.3.6 *Changes in Contract Scope*

Section 7.22 describes the triggers and top-level process to exercise the Contract Change Order process. The parties shall jointly build a detailed change management plan that addresses, among other things, the Customer Service Request and Contract Change Order processes. General change management objectives are described in Section 3.11.

3.4 Contract Structure

3.4.1 *Contract Structure*

The Contract shall be divided into three phases:

1. **Implementation Phase** – this phase begins on the Contract Effective Date and extends until completion of the CMS System Certification and resolution of all identified system and operations Defects discovered prior to achieving CMS System Certification. This phase overlaps the Operations Phase.
2. **Operations Phase** – this phase begins on the Actual Operational Start Date and continues until completion of turnover to a successor organization. This phase overlaps the Implementation Phase and the Turnover Phase.
3. **Turnover Phase** – this phase begins upon notification by the Contract Administrator to begin turnover and continues until termination, cancellation, rejection, or expiration of the Contract, unless otherwise waived in writing by the Contract Administrator.

Table 3-1 shows the major contract elements and their payment methodologies. For details on invoicing and payment, see Exhibit A. SCDHHS, in its sole discretion, may choose not to initiate individual elements. If SCDHHS intends to substantially change the quantity of Work to greater or lesser amounts (within the general scope of the Contract), it will provide the Contractor at least 30 days written notice of the planned change.

Contract Element	Applicable Phase(s)	Payment Methodology
Implementation	Implementation Phase	Firm fixed price with milestone-based payments
Operations	Operations Phase	Firm fixed price per month of operations without T-MSIS. And a separate firm fixed price per month for T-MSIS.

Contract Element	Applicable Phase(s)	Payment Methodology
Consulting Support	Operations Phase	Time and Material
Modification Pool	Implementation Phase Operations Phase Turnover Phase	As agreed to by the parties when resorting to the pool
Turnover	Turnover Phase	Firm fixed price with milestone-based payments

Table 3-1. Contract Elements and Payment Methodologies

Details concerning the Contract duties for each of these elements can be found in other subsections of RFP Section 3.

3.4.2 *Modification Pool*

The rate of change in healthcare is rapid, and SCDHHS assumes that this will drive needed changes to either system capabilities, business operations, or both. In order to facilitate such changes, the Contract includes a Modification Pool that will be used to address emerging requirements throughout the Term of the Contract (all Contract phases). The Modification Pool size will be $1,000,000 during the Implementation Phase and $500,000 per year, including option years, during the Operations Phase. The parties may agree to new Work using the Modification Pool that is contracted via fixed price, labor hours, or other methods agreed to at the time that the Work is added.

Offerors shall propose labor categories and labor rates for implementation and operations Work to be performed. It is important to include all labor categories likely to be engaged as SCDHHS will be hesitant to add new labor categories at a later date.

3.4.3 *Consulting Support Staff*

Beginning on the Actual Operational Start Date, the Contractor must staff three full time Contractor staff on-site at SCDHHS' Columbia office to be responsible for maintenance and creation of new reports and ad hoc reporting, support user query development and execution, and to provide subject matter expertise (SME) as needed. These SME staff must have expertise in:

- Medicaid fraud, abuse and overpayment detection
- Recovery techniques
- Query and algorithm design and programming
- Application and technical architecture

The SMEs must provide:

- Systematic and rigorous process for the development and validation of new algorithms
- Workshops for training on usage and query effectiveness
- Mandated changes, including new and changed codes, are updated in BIS within fifteen (15) business days of SCDHHS notification to the Contractor
- New algorithms at no additional charge to SCDHHS

3.4.4 *Quarterly Reviews*

The Contractor must coordinate and perform quarterly program performance reviews with SCDHHS beginning three (3) months after the Actual Operations Start Date. The Contractor must also use these meetings as an opportunity to introduce innovative programs that seek to improve the BIS Contract.

3.4.5 *Implementation Phase*

The objectives of the Implementation Phase are:

- Conduct Discovery activities which begin immediately after award of the contract and includes:
    - o The Contractor will coordinate a project kick-off meeting within ten (10) business days of the effective date of the Contract.
    - o Refine the State's enterprise strategy and enterprise IT strategy in order to drive the details of the Implementation Phase and Operations Phase, including meeting CMS' Seven Standards and Conditions for receiving enhanced Federal Financial Participation (FFP) (see RFP Section III.8.1).
    - o Improve the Contractor's understanding of the State's Medicaid enterprise via familiarization activities.
    - o Improve the State's understanding of the Contractor's baseline system by providing overview training to select State personnel.
    - o Build key planning documents needed for the Implementation Phase.
- Retire the existing BIS via a successful implementation of a Replacement BIS.
- Achieve System Certification on the first attempt and at the earliest reasonable opportunity.
- Adapt to changes in requirements that may occur during the Implementation Phase in a timely manner in order to minimize scrap and rework and lessen impacts on the project schedule.

After, or during a slight overlap of Discovery activities, the primary Implementation Phase activities will be:

- **Design, Development, and Installation (DDI)** – This includes activities such as requirements development, design, construction, testing, implementation, initial user training, staff preparation for operations, build-out of operations infrastructure, and related supporting activities.

- **System Certification** – This includes certification planning, documentation, artifact gathering, support for the CMS certification team, resolution of issues and findings from the System Certification, and repair of system and operations defects discovered as part of the System Certification process.
- **Implementation Phase Modifications** – Rapidly address any out of scope requirements changes that may arise during the Replacement Phase. See Exhibit A, Invoicing and Payment, for further information concerning the use of the Implementation Phase Modification Pool.

The Implementation Phase ends upon completion of all duties and SCDHHS acceptance of all Deliverables assigned to this phase, including the repair and approval of all Deliverable defects discovered through the completion of CMS System Certification.

Numerous Implementation Phase Deliverables are identified throughout the SOO; however, other Deliverables needed for a successful implementation must be proposed by Offerors in the Contract Data Requirements List (CDRL).

3.4.6 *Operations Phase*

The Operations Phase encompasses activities associated with performing business operations functions; operating and maintaining the BIS; and performing upgrades to the BIS and associated business operations Services. Biennial SSAE 16 audits by an independent auditor are required during the Operations Phase. Consulting Support services also begin with the Operations Phase.

Operations Phase Modifications; this is analogous to Replacement Phase Modifications and applies to Customer Service Requests and Contract Change Orders for Services and system modifications during the Operations Phase. See Exhibit A. Invoicing and Payment for additional information.

The Operations Phase begins with the Actual Operational Start Date ("go live") and ends with the termination, cancellation, rejection, or expiration of the Contract. The Operations Phase will overlap in time with the Implementation Phase and the Turnover Phase.

3.4.7 *Turnover Phase*

The Turnover Phase encompasses activities associated with turning over system and operations duties to SCDHHS or a third party upon termination, cancellation, rejection, or expiration of the Contract. SCDHHS requires continuity of operations during a transfer of system and operations duties to another Contractor or to the State.

The Turnover Phase begins upon direction of SCDHHS (typically at or earlier than the lead time described in the Contractor's Turnover Project Schedule), and ends ninety (90) calendar days after transfer of duties is complete. The Turnover Phase normally overlaps with the Operations Phase.

The Contractor shall plan and implement a coordinated transfer of system and operations duties to another entity upon direction of SCDHHS. Turnover activities shall include knowledge transfer; conversion or migration of all work in progress; transfer of all documentation required for the proper operation or maintenance of the system and proper business operations procedures; and post-transfer technical assistance. Such technical assistance shall continue for ninety (90) calendar days after transfer.

The Contractor shall create a Turnover Plan that shall be part of the Contract Data Requirements List (CDRL), and update it at least annually.

3.5 Contract Incentive Structure

Schedule and performance liquidated damages will be used for the Implementation Phase, and quality liquidated damages will be used for the Operations Phase. For the Implementation Phase, these liquidated damages shall be used in association with the Firm Fixed Price and Actual Operational Start Date; however, this shall not limit SCDHHS' remedies pertaining to this Contract.

3.5.1 *Implementation Phase Incentives*

SCDHHS will apply negative incentives to timely acceptance of Milestones during the Implementation Phase. In order for SCDHHS to accept a Deliverable or Milestone, the Deliverable or Milestone must meet its requirements, and all identified Defects must be repaired. Timeliness of Deliverables is measured based on the date the Contractor submits a Deliverable that is free of all material Defects and is subsequently accepted by SCDHHS.

The Offeror shall identify in their Proposal two major Implementation phase Milestones, in addition to the implementation of the final component of the system; these milestones should be fairly evenly spaced out over the Implementation phase timeframe. For each week, or partial week, that a major Milestone is missed SCDHHS shall withhold one-half (1/2) of 1% of the total Implementation phase price up to a maximum of four percent (4%) per major Milestone. The withheld funds will be returned to the Contractor when the succeeding major Milestone is accepted by SCDHHS.

SCDHHS will apply negative incentives to the Targeted Fully Operational Start Date. For each calendar day that the Actual Operational Start Date is late, the negative incentive shall be the actual cost for SCDHHS to extend the project. The South Carolina Enterprise Information System (SCEIS) accounting system will be used to determine the actual cost of the project. At this time SCDHHS estimates its actual daily project costs will be $5,000.

3.5.2 *System Certification Withhold*

In addition to any remedies available to the State, five percent (5%) of all invoiced Implementation Phase fixed costs shall be withheld. Any amounts withheld will be payable after successful completion of the CMS System Certification.

3.5.3 *System Certification Damages*

If CMS does not certify the system retroactive to the Actual Operational Start Date, the Contractor shall pay SCDHHS the difference between enhanced and non-enhanced federal funding for the period the system was deemed non-certified, to the extent such non-compliance is a result of inadequate performance or non-performance of the required services by the Contractor.

3.5.4 *Operations Liquidated Damages*

During the Operations Phase, there will be liquidated damages applied to meeting the system and operational performance standards in the combination of those shown in Attachment O and those proposed by the Offeror in its Operations Phase Statement of Work. These performance standards, also referred to as service level agreements (SLAs) will have a negative incentive dollar value assigned to them.

For each failed SLA, the Contractor will be assessed the dollar value assigned to the failed SLA. The liquated damages, up to a maximum of 10% of vendor's invoice per month shall be deducted from the Contractors next monthly invoice.

The State shall determine in its sole discretion whether the Contractor has met a performance standard.

3.6 Financial Management Objectives and Strategy

3.6.1 *Financial Management Objectives*

The primary objectives of contract financial management are to:

- Manage project finances with fiscal prudence.
- Maintain transparent and accurate insight into the contract financial status at all times.
- Receive fair prices based on legitimate costs throughout the life of the Contract.

3.6.2 *Financial Reporting*

The Contractor shall provide contract finance reports on a minimum monthly basis. The information reported shall reflect consistent integration with other management and technical reports.

3.6.3 *Modification Pool Invoicing*

Billable Modification Pool labor hours rates established in the Contractor's proposal shall include:

- Labor performed by the Contractor
- Labor performed by Subcontractors
- Labor transferred between divisions, subsidiaries, or affiliates of the Contractor under common control

Labor shall be all-inclusive of wages; overhead; travel expenses; property, plant, and equipment owned or leased by the Contractor or its Subcontractors; general and administrative expenses; and profit. The State shall not pay separately for these costs. Offerors shall not assume separate payment in their Cost Proposals. Offerors shall propose base labor rates for all labor categories whose use can be reasonably foreseen on the Contract.

If the Contractor needs to add labor categories at any time during the Term of the Contract, it shall request the change in writing and justify the purpose of the labor category as well as the derivation of the labor rate to be used. The Contractor shall not invoice the State for any labor using the new category prior to receiving written approval of the new category and associated labor rate from the State.

With respect to (i) any unilateral changes to the Work, (ii) all Changes agreed between the parties pursuant to a Customer Service Request or Change Order, or (iii) in event of termination, cancellation, or rejection, in no case shall the rates for labor proposed by Contractor in its price proposal or agreed by the State for such change or termination, cancellation or rejection settlement (including all profit and overhead) exceed those proposed by the Contractor in Pricing Table D ("Labor Rates").

3.7   Schedule Strategy

3.7.1   *Offeror-Proposed Schedule*

Offerors shall propose the schedule and project plan for the Implementation Phase including dates for Milestones and Deliverables.

3.7.2   *Schedule Realism*

The State believes that pursuing unrealistic schedule dates often results in a greater cost and a longer schedule due to potential quality issues and the premature reallocation of resources directed at transitioning. While minimizing the project schedule is an objective, Offerors shall propose realistic project schedules, and the selected Contractor shall continue this practice throughout the life of the Contract.

3.7.3   *Contractually Binding Dates*

Dates for the Milestones and Deliverables, including the Targeted Fully Operational Start Date, are contractually binding and will be used in the calculation of damages as applicable.

3.7.4   *Limits on Adjustment of Internal Schedule Dates*

The Contractor may adjust internal schedule dates (i.e., those not associated with Milestones and Deliverables) with written permission of SCDHHS and without requiring a formal Contract Change Order. Such modifications shall meet the requirement for schedule realism and shall not result in an unrealistic compression of the State's duties, deeming them unachievable in the State's sole judgment.

3.8   Management Goals and Strategy

3.8.1 *Management Goals*

The primary management goals are:

- Achieve program success by effectively applying the management functions of planning, organizing, staffing, leading, and controlling.
- Ensure the transparency of management actions and project results so that all parties remain properly informed.
- Foster collaboration between the State, the Contractor, and other project stakeholders while maintaining an appropriate Contract Entity/Contractor relationship.

3.8.2 *General Management Strategy*

Management Scope

The Contractor shall manage all aspects of the Contract that affect cost, schedule, performance (scope and quality), risk/issues/opportunities, and the staff that are under its control.

Project Coordination

The Contractor shall lead coordination with all other organizations whose participation is necessary for project success. The State shall facilitate coordination with State organizations and other organizations whose primary connection to the Medicaid enterprise is via the State.

Collaboration

The State believes that a project of this complexity cannot be successful without strong teamwork between the State (both project and program staff) and the Contractor (including all subcontractors). Collaboration between the Parties is essential for success; however, ultimately, each party must perform the duties assigned to it. While the Contract defines duties of each party, the Parties must work together to form a strong team with a common purpose of project success. Offerors may propose systems and/or processes to further this goal.

3.9   Project Management

3.9.1 *Contractor Duties*

General Contractor Project Management Duties

The Contractor shall perform management duties associated with the management goals and general management strategy stated in this section with respect to all Contractor project duties and all Contractor-led project duties. Project management duties will occur during all phases of the Contract and are not limited only to the Implementation Phase. The Contractor's project management processes and standards shall conform to generally accepted project management standards, (e.g. Project Management Institute or other recognized methodologies).

Project Schedule

The Contractor shall build and maintain the Project Schedule, to include both Contractor and proposed SCDHHS activities. The Project Schedule shall identify tasks at a detailed level for a minimum of ninety (90) days in the future at all times. Activities further in the future may be described at a reduced level of detail, although specific activities, such as go-live plans for the system may be better planned at a highly detailed level with additional lead time. The Contractor may use any suitable COTS project planning software for building and maintaining the Project Schedule; however, if it uses software other than Microsoft Project or Project Server, it must provide training for State project staff, provide a reasonable number of licenses for State use, and ensure compatibility with the State's computers. The Contractor must conduct a Project Baseline Review and approval with the SCDHHS CIO and RMMIS PMO as part of the initial schedule development.

3.9.2   State Duties

General State Project Management Duties

The State shall perform management duties associated with the management goals and general management strategy stated in this section with respect to all State duties and all State-led duties.

Project Level Governance

The State shall lead the project level governance process described in Section 3.11.

Risk, Issue, Opportunity Management

The State shall lead the risk, issue, and opportunity management process described in Section 3.12.

3.10   Staffing and Key Personnel

3.10.1   Staffing

Offerors shall propose labor categories they plan to use to perform Modification Pool duties. The labor category descriptions shall include required training, education, skills, and experience.

The Contractor shall staff all positions necessary to perform its duties under this Contract with personnel qualified to perform the necessary duties. The Contractor shall not invoice the State for personnel training and education needed to meet labor category requirements, maintain job skills, or maintain licensing or certification.

The Offeror must agree that it will provide additional resources (at no additional cost to SCDHHS) should challenges arise that interfere with the Offeror's ability to fulfill any requirements indicated in the Scope of Work or the terms and conditions of the Offeror's proposal.

The Contractor shall maintain a current organization chart including the names, position titles, and labor categories for all personnel performing duties on the Contract (including subcontractors) and shall provide current versions of this chart to the State whenever the chart changes.

3.10.2 Removal of Personnel

The State Contract Administrator or his/her designee may monitor the Contractor's efforts and account for all work to be performed by Contractor personnel. The State Contract Administrator or his/her designee may determine whether Contractor personnel are performing satisfactorily at the appropriate skill levels specified in the Contractor's Technical Proposal or as warranted in the Contract. The State may require the Contractor to relieve any of the Contractor's personnel from any further work under the Contract if in his/her sole discretion (i) the individual does not perform at the applicable skill level specified in the Contractor's Technical Proposal or elsewhere in the Contract, (ii) the individual does not deliver work that conforms to the performance standards stated in the Contract, or (iii) the person exhibits personal or professional conflicts with State personnel that hinder effective progress on the project. Upon being notified in writing by the State Contract Administrator that a member of the Contractor's personnel is unacceptable, the Contractor shall remove that individual from any assignments on the Contract in the timeframe provided by SCDHHS. In the event that a member of the Contractor's personnel is removed pursuant to this paragraph, the process set out in Section 3.10.5 for submission of resumes, interviews, and approval shall apply as if the person removed were among the Key Personnel and the vacancy had occurred for a reason other than an internal transfer or ordinary course retirement.

3.10.3 Personnel Turnover

Contractor agrees that it is in the best interests of both Parties to keep the turnover rate of Contractor personnel, contractors, and subcontractors to reasonably low levels. Contractor shall provide the State with personnel turnover statistics via its Monthly Status and Financial Report, and Contractor shall meet with the State promptly after the provision of each such report to discuss the reasons for, and impact of, such turnover rate as requested by SCDHHS. If appropriate, Contractor shall submit to the State its proposals for reducing the turnover rate, and the Parties shall agree on a process to bring the turnover rate down to an acceptable level. Notwithstanding transfer or turnover of Contractor personnel, contractors and subcontractors, Contractor remains obligated to perform the Work without degradation.

3.10.4 Key Personnel

Offerors shall identify their Key Personnel which shall include, at a minimum:

- An Account Manager who shall be the Contractor's senior representative for the Contract.
- A DDI Manager who shall lead the Contractor's DDI activities.
- A Technical Coordinator during the Implementation phase.
- An Operations Manager who shall lead the Contractor's operations activities.

Offerors may use substitute titles for these positions that shall be identified in their Proposals. The Account Manager and DDI Manager must be in place at Contract award. The Operations Manager must be in place no later than the initiation of standup activities for the system.

Offerors may identify additional Key Personnel and their assigned positions. As commitment and continuity are important factors in success of the BIS Contract, the State will consider assignment of highly qualified Key Personnel to additional positions as a commitment to reduce Contract risk.

SCDHHS must be able to reach Key Personnel by cell phone and email.

3.10.5 Persistent Vacancies of Key Personnel

With respect to all persisting vacancies of Key Personnel during all phases, the State shall receive a credit of $10,000 per month for the unavailable individual, prorated for each day or partial day until the position is satisfactorily filled. For vacancies due to the internal transfer or ordinary course of retirement of the applicable individual, the credit shall begin to accrue at the time the vacancy occurs. For vacancies that occur for any other reason, the credit shall begin to accrue on the latter of the twentieth (20th) business day after the vacancy occurs or thirtieth (30th) business day after the Contractor became aware of the potential vacancy. Temporary or permanent transfer of any of the Key Personnel within the project or temporary or permanent transfer of any of the above named Key Personnel between Contractor projects shall require prior written approval of the State Contract Administrator. The Contract Administrator shall respond to the Contractor's request within five (5) business days. With respect to all persisting vacancies of Key Personnel during the Operational Phase of the Contract, in addition to the remedies stated herein, the Contractor shall be deemed to have missed a Performance Standard for each such Key Personnel who has not been replaced within the relevant period measured as stated above.

3.10.6 Contractor Staff Location

All else being equal, the State believes that co-located teams are often more productive than geographically-separated teams. The State understands, however, that contractors often have development and operations groups whose services are not easy to relocate without a loss in skill sets or experience. Offerors shall describe their team location strategies in their Proposals.

During the Implementation Phase of the Contract, the Contractor shall maintain a facility within twenty (20) miles of the SCDHHS headquarters at 1801 Main St., Columbia, SC. This facility shall have at least three (3) furnished work spaces, with telephones and wired or wireless Internet access, in which visiting State personnel can work along with three (3) parking spaces near the Contractor's facility provided at no extra charge to the State. In addition, while the State will have access to a small number of small conference rooms at its own worksites, the Contractor must have conference room capacity to accommodate meetings with the State and necessary third parties.

Implementation Phase

The State is willing to accept a mix of onsite and remote personnel for Implementation Phase activities. Personnel interacting frequently with the State team and end users shall perform their duties in the local area.

A senior person in account or project management (preferably one of the Key Personnel) must be on-site in the Columbia metropolitan area during business hours through the Implementation Phase, as shall a senior person in technical management or engineering.

Operations Phase

A senior person in account or operations management (preferably one of the Key Personnel) must be available to meet at SCDHHS office monthly or within 24 hours of emergency request.

Turnover Phase

The general objectives for Contractor staff location during the Turnover Phase are the same as for the Operations Phase except that knowledge transfer, 90-day post-transfer support, and other related activities must be face-to-face with the oncoming staff of the new contractor or the State, at the location where those staff will perform their duties. For planning purposes, Offerors should assume that a follow-on contractor will have similar location requirements as are in this Contract.

3.11 Change Management and Governance

The Contractor shall perform all internal and pre-baseline change management and governance processes required for success on the Contract. These processes manage artifacts, configurations, and all other project management documents prior to their acceptance or approval by the State. After acceptance or approval of these items, the Contract level governance processes will control changes. The State shall lead the Contract level governance processes with administrative assistance and advice of the Contractor. This administrative assistance shall include management of changes using a COTS or open source change management tool. Offerors shall propose a change management tool for use on the project that is continuously available to the State.

Examples of the types of documents and artifacts that would come under control of the Contract level governance includes:

- Project-oriented documents. These include project management, technical, contractual, and other similar documents that define the project.
- Enterprise-oriented documents. These include organizational structures, business processes, business data models/metadata, organizational change management, etc.
- Requirements, architecture, and design documents.
- Configurable items such as business rules and workflows.
- System interfaces.
- System release artifacts once released. During development and maintenance operations, the Contractor shall manage configuration of these items until they are approved for release.
- Security procedures (system, physical, etc.).

- Test and quality assurance plans.
- User/administrator manuals and training materials.

Changes requiring Contract Modifications, Customer Service Requests, or Change Orders shall be governed by RFP Section 7.22 CHANGES. If the Contractor believes that any employee or agent of the State is providing guidance or a request that would require a change covered by the RFP, it shall bring such matters to the attention of the Contract Administrator immediately. All changes, whether in scope of the Contract or not, shall be controlled by the change management and governance processes.

Nothing in this section shall prohibit the Contractor from making emergency changes to the system or operations procedures in response to system faults, security threats, unplanned surges in system or operations transactions, or other similar problems. The Contractor shall notify the State of such changes as soon as they are made or no later than the beginning of the next business day.

3.12 Risk, Issue, and Opportunity Management

The State shall lead the risk, issue, and opportunity management process. The Contractor shall support this process by participating in the identification, analysis, mitigation/enhancement, and monitoring activities. The Contractor shall lead management of risks/issues/opportunities assigned to it.

3.13 Information Sharing, Reporting, and Deliverables

To ensure progress and enhance transparency, information and Deliverables must be complete and coherent.

3.13.1 *Information Sharing*

The State supports electronic sharing of data in a secure manner (i.e., authorized individuals accessing data they need to perform their work, and the use of encryption for data at rest, data in transit, or both, as applicable for the method of sharing). The State operates various systems to facilitate secure information sharing, including but not limited to SharePoint and Secure FTP, and would strongly prefer to leverage existing State systems. In the event that the Offeror proposes information sharing systems that are not existing State systems, the proposed systems must meet security systems as defined elsewhere in this RFP. The Contractor shall maintain and facilitate the use of any agreed-upon information sharing tools. In the event that information sharing tools are selected that are not existing State systems, the Contractor must supply licenses (at its own expense) and training for the selected tools. Use of these types of tools will reduce the need for the Contractor to provide any data in hard copy format other than those legally requiring physical copies or signatures, invoices, or for documents that are so large that they must be printed in order to perform an orderly review.

The Contractor shall ensure that all management tools used for information sharing are compatible with current SCDHHS computer system configurations.

3.13.2 *Reporting*

The Contractor shall report on project progress and operations status in writing no less than monthly. The State prefers to have access to interim data on at least a weekly basis, and the use of real-time dashboard presentations is preferred to allow key metrics to be available in near real time. Monthly reports shall include the status of cost, schedule, performance (quality/scope/technical/operations), risks/issues/opportunities, staffing, and other pertinent metrics. The Contractor shall timely report on the achievement of performance standards for the previous month and identify all performance standards that were not met. The Contractor shall report to the State in writing when any performance standard is not met, within one calendar day for critical performance standards and within three business days for non-critical performance standards.

The State and Contractor shall jointly conduct weekly status reviews among the project and operations management staff and monthly Contract Management Reviews for a larger audience.

3.13.3 *Deliverables*

Offerors shall propose Contract Deliverables via the Contract Data Requirements List (CDRL). Unless otherwise specified in this Contract, the format of the Deliverables shall be chosen by the Contractor, subject to approval by the State.

In addition, the Contractor shall also maintain a Data Accession List (DAL). This list shall identify pertinent documents created as part of this Contract that are not part of the CDRL.

The State believes that in order to be successful, the State and Contractor must succeed on the Deliverables review cycle. To do so, the following principles must be followed:

- The purpose of review cycles is to identify and correct defects, regardless of the source of these defects.
- Deliverable review cycles must be de-conflicted to the greatest extent practical, particularly for related functional areas. Queuing up excessive Deliverables for simultaneous review defeats the purpose of defect identification and is unacceptable to the State.
- Both parties should assign consistent personnel throughout the complete review cycle of a specific Deliverable unless additional expertise is necessary to properly complete the review.
- Deliverables are related, not isolated. If a later Deliverable affects an earlier Deliverable in a way that could not be reasonably predicted, changes to the first Deliverable that are in scope of the Contract shall not result in a change to the Contract prices and schedules, even if that Deliverable has already been accepted by the State. As it is practically impossible for the State to foresee cascading impacts of its decisions on future Deliverables, it is the Contractor's duty to identify these impacts in a timely manner for the State's consideration.
- The review cycles must be scaled to the size and complexity of the Deliverables. The resulting review cycles directly impact the project schedule.

- Informal reviews of partially-complete Deliverables can substantially improve and accelerate the review cycle.
- Deliverables are deemed "delivered" on the date the Contractor submits a Deliverable that is free of all material Defects and is subsequently accepted by SCDHHS.
- By accepting a Deliverable, the State is not verifying that all contents of the Deliverable are correct.
- The mere acceptance of a Deliverable shall not change a contractual obligation. Even if a change to a contract requirement is embedded in a Deliverable, it will require an approved Customer Service Request (CSR) to enact that change.
- Given the complexity of managing multiple Deliverables in various stages of the review cycle, the Contractor must provide a tool to manage the review and defect repair process (preferably COTS or open source) that is continuously available to the State.

The State recommends a "long" review cycle and a "short" review cycle.

The long review cycle would allow for fifteen (15) business days for State review and feedback, ten (10) business days for the Contractor to update the document and return it to the State (including any joint meetings to discuss the State's feedback), and five (5) business days for the State to do a final review and approve or reject the Deliverable.

The short review cycle would operate similarly except that the State's review would be ten (10) business days, followed by a five (5) day Contractor update, and finally a five (5) day final State review and approval/rejection.

Offerors may propose modifications to these review cycles.

3.14 Communications

Given the number of entities whose participation is crucial to the replacement of the MMIS and BIS, excellent communication is paramount. The Contractor shall conduct effective communications with all stakeholders participating in or affected by the duties performed by the Contractor. These communications may also include information pertaining to the State's duties as well. The Parties shall create a Joint Communications Plan during the Implementation Phase, Discovery activities, that effectively describe the communications strategy with all principal stakeholders throughout the life of the Contract. The plan shall be updated as necessary to remain current and relevant to the environment and stakeholder needs.

3.15 SYSTEM AVAILABILITY & DISASTER RECOVERY

3.15.1 *System Availability*

The BIS must be available to end users twenty-four (24) hours a day, seven (7) days a week, with the exception of agreed upon system maintenance downtime.

Scheduled system maintenance downtime and external disasters that cause general loss of operational capability shall not be factored into the availability of the system.

3.15.2 *Disaster Recovery Plan*

The BIS is critical to the daily operations of SCDHHS. The Offeror must assume that any loss of data is unacceptable. The Offeror must provide detailed disaster recovery, turnover and continuity of business plans designed to minimize any potential disruption to its operations within fifteen (15) business days after the project kick-off meeting. This plan must be approved by SCDHHS prior to implementation and is to be modified with approval as circumstances warrant.

These plans must:
- Be tested periodically, at schedules agreed upon by the Offeror, with a written report to SCDHHS. It will be the Offeror's sole responsibility to maintain adequate back-up to ensure continuous operations.
- Include procedures for accessing necessary electronic Protected Health Information (ePHI) in the event of an emergency; continue protection of ePHI during emergency operations.

The Offeror must:
- Propose a schedule for testing the Disaster Recovery Plan before and after implementation
- Have redundant systems and data located in two (2) different parts of the country in the event of a disaster.
- Provide a plan to return operational status to normal in the event of a disaster as quickly as possible.
- Describe recovery processes, including requirements for communication plans and redundant or stand-by hardware, software, and staffing
- Describe provisions to support interim manual operations during recovery.
- Propose a schedule for testing the Disaster Recovery Plan before and after implementation.

3.16 Weekend and Holiday Work

The Contractor shall not schedule or perform activities requiring State participation on weekends or State holidays without prior written permission from the Contract Administrator. Non-workdays shall not count towards artifact review periods or other activities measured in business days. The period between December 24 and January 1 (inclusive and adjusted for proximity to weekends) is generally a time when the availability of State personnel is very low. While State personnel will participate in project activities to the extent that they are available, the Contractor shall not plan any tasks requiring State participation during this period each year, and these days shall be treated as holidays for the purpose of artifact review periods and other activities measured in business days.

3.17 System Certification

The BIS must receive System Certification from CMS with a goal of certification within one (1) year of Actual Operation Start Date, and the Contractor shall ensure that the BIS performs in such a manner as to achieve System Certification on the first attempt. The State shall lead the System Certification process with the assistance of the Contractor.

An unusual aspect of System Certification for this project is that the MMIS and supporting operations may be deployed incrementally. The State has received permission from CMS to do a modular System Certification, if required, supported by "regression System Certification" activities to ensure that previously certified areas remain properly functional. Please note that modular System Certification is not the same as premature deployment followed by a test/fix cycle to bring the system up to standards. The latter is specifically prohibited by CMS and will likely result in a loss of retroactive Federal Financial Participation (FFP).

Loss of FFP due to System Certification failures to the extent such failures are a result of inadequate performance or non-performance of the required services by the Contractor shall be subject to damages provisions.

3.18 Technical Objectives and Strategy

Technical Strategy and Guiding Principles

The BIS project goals are driven by technology strategy that encourages the use of COTS software products and emphasizes configuration over customization. As a result, the State does not expect that the BIS project will require significant amounts of software development; therefore, specifying the details of how to produce system architecture and design will be of limited benefit for this project. On April 14, 2011, CMS published a rule modifying 42 CFR 433.112 (with expanded guidance in Medicaid IT Supplement MITS-11-01-V1.0), requiring states to satisfy seven conditions and standards ("Seven Conditions") in order to receive enhanced FFP. The State seeks to align its BIS system with the technology capabilities identified in MITS-11-01-V1.0.

If the Offeror's solution requires SCDHHS to have COTS software licenses, the South Carolina Standard Amendment to End User License Agreements for Commercial Off-The-Shelf Software (Attachment L) must be utilized.   SCDHHS prefers electronic delivery of any software that must be installed as part of the Offeror's proposed solution. These software licenses must also be listed on the Software Table, Attachment M.

The Contractor's solution (both system and business operations) should support the State in achieving the Seven Conditions:

- Modularity Standard
- MITA Condition
- Industry Standards Condition
- Leverage Condition
- Business Results Condition
- Reporting Condition
- Interoperability Condition

With respect to this Contract, success in meeting the Seven Conditions will require teamwork between the State and Contractor, and it will require certain system capabilities, features, and architectural qualities.

3.18.1 *Data Management and Data Sharing*

The BIS should support the State's efforts to improve overall data governance and data stewardship. The BIS should enable and support the management and exchange of data across the State's Medicaid enterprise and with external systems in ways that are automated and minimize potential errors with data accuracy. Accordingly, the BIS must provide:

- A unified data exchange solution to ensure successful data exchange and monitors and alerts appropriate parties of potential issues.
- A data model that is consistent with the State's business processes and MITA business processes.
- A solution that will extract, transform and load (ETL) data from electronic data interchange (EDI) transactions.

3.18.2 *Performance Measurement*

The BIS should support the State's efforts to improve its ability to monitor, track and act in a timely manner on information and data available in the BIS. In support of the performance measurement principles, the BIS should provide:

- A dashboard approach to key metrics identified by this Contract that is flexible and configurable.
- A system that can notify and alert stakeholders when key metrics are not being met.
- Integration of business process management and business activity management tools to the greatest extent practical.

3.18.3 *Security and Privacy*

Due to the nature of the information managed by SCDHHS in conjunction with its health programs, security breaches and other compromises of data collected and maintained by the State's Medicaid enterprise are unacceptable. The Contractor has the duty to protect all State data from loss or unauthorized disclosure. The Contractor shall comply with all security and privacy laws, regulations, and policies, including Medicaid Safeguarding and the Health Insurance Portability and Accountability Act (HIPAA), and related breach notification laws and directives.

The BIS should support the following security principles:

- **Confidentiality** – prevent disclosure to unauthorized persons or systems.
- **Integrity** – data cannot be modified undetectably.
- **Availability** – access is not inappropriately blocked or denied.
- **Authenticity** – validation that the parties to a transaction are honestly represented and that their communications are genuine.
- **Non-repudiation** – parties to a transaction cannot deny their participation in the transaction.

- **Auditability** – track and log data changes including the user or system making the change. Track and log any inquires, views or access of data that may require such tracking as a result of law, policy or data use agreements including user or system making inquiry, viewing or accessing the data along with the date and time of the inquiry, view or access.

The BIS shall maintain a comprehensive log of user and external system access, queries, and changes in a manner that meets the requirements of applicable security and privacy laws, regulations, and policies. In addition, the BIS shall provide the State alerts to key events and interactive access to the log information.

Offerors shall describe their current encryptions schemes, how those schemes can be extended in the current system architecture, and how they plan to incorporate greater encryption requirements in the future.

The BIS must provide an approach to data access and data security that protects Personally Identifiable Information (PII) and Protected Health Information (PHI). Both data management within the BIS and the Contractor's operational policies and practices must:

- Meet all HIPAA, HITECH and other State/Federal privacy and security requirements.
- Ensure security, accuracy, and timeliness of data interfaces by applying rigorous management processes with respect to data sources for and consumers of MMIS data.
- Streamline electronic transactions by incorporating electronic and digital signatures compliant with HIPAA and State law.
- Provide field-level security configuration and access by user role to the greatest extent practical.

3.18.4 *Adaptability and Extensibility*

In order to quickly respond to changes required by the Medicaid enterprise as well as work to minimize the cost and effort required to make changes, the BIS should be adaptable and extensible. Additionally, in support of the State's core preference for solutions that are configurable and require minimal customization, the BIS should:

- Implement a rules-driven design that is supported with appropriate rules technology and provides the ability to be updated from within the system.
- Provide an architecture that clearly defines service end points that enable extensions to functionality without requiring pervasive or broad changes to the core system.
- Provide an approach to configuration that can be easily managed by system users.
- Improve ability to quickly respond to changes in the business by using business rules management, business process management, and business activity monitoring tools where practical.
- Minimize the cost of changes to the business rules and business processes.
- Support the introduction of new technology over time in a way that minimizes the impact to the BIS.

- Provide system components and solutions which optimize the potential for a long life-span, reducing the cost and organizational disruption created by frequent procurement of replacement components.

3.19 Technical Goals

In support of the State's strategy, the BIS should address the following MITA goals for MMIS technology to the extent that is practical. Offerors should identify the ways their solution supports these goals:

- **Enterprise Perspective** – Promote an enterprise view that supports enabling technologies that align with State Medicaid business processes and technologies.
- **Performance Driven** – Make performance measurable for accountability and planning.
- **Interoperable** – Develop systems that can communicate effectively to achieve common Medicaid program goals through interoperability and common standards.
- **Flexible** – Promote an environment that supports flexibility, adaptability, and rapid response to changes in programs and technology.

In addition, Offerors should describe how their solution is:

- Data Focused – Provide data that is timely, accurate, usable, and easily accessible to support Medicaid program analysis and decision making
- Cost Effective – Reduce unnecessary costs for collection of data that is already available elsewhere in the Medicaid enterprise and that can be used to administer the Medicaid program more effectively

3.19.1 *Technical Objectives*

The State desires to align the BIS with the MITA Technical Objectives including the following:

- **Adopt Data and Industry Standards**

The State desires a BIS that makes use of data and industry standards.

Offerors should describe the data and industry standards that their solution adheres to and explain how data and industry standards are incorporated into their development processes and technical operations on an on-going basis.

- **Promote Secure Data Exchange**

The BIS must interface with a variety of other systems and must do so in a manner that promotes secure and reliable data exchange. The BIS should leverage current technology mechanism(s) to administer interfaces/messages for inbound/outbound interface transactions and to guarantee delivery/receipt of all inbound/outbound interface traffic. Offerors should describe secure data exchange standards that their solution implements to guarantee security, privacy, reliability, and reconciliation of data transactions.

- **Utilize Industry Best Practices**

The State desires to utilize industry best practices to the greatest extent practical. Best practices include both software development and technology operations best practices as well as best practices applicable to the health care and insurance industries. Offerors should describe how their organization, software development practices and corporate culture remain aware of industry best practices and utilize them in their development and operations. Offerors should also describe best practices that they believe are relevant and important to the success of this Contract.

3.20 Technical Processes and Operations

Offerors should describe their technical development processes and technical operations such that the State understands how the Offeror:

- Manages its software development life-cycle.
- Extends the solution to meet unique customer needs while maintaining future upgrade paths.
- Works with customers for input into future product priorities and requirements.
- Manages configuration controls (i.e. ensuring correct configuration is applied to production systems, ensures updates from test to production environments are done accurately).

3.20.1 *Implementation Life-Cycle*

Offerors may propose details of the implementation life-cycle; however, the State has certain objectives that must be met with respect to the implementation life-cycle.

3.20.2 *Risk Mitigation During System Transitions*

Due to the large number of system and contract transitions associated with this Contract, transition activities must be very effective in order to avoid repeated or cascading problems. The Contractor shall manage system and contract transitions with the State's assistance and facilitation. Offerors shall propose a transition strategy that manages risk and maximizes the likelihood of first-time success.

The State has considered a variety of approaches to the transitions required for this Contract and is open to Offerors' strategies that perform the transitions in ways that are consistent with the objectives of this Contract.

Offerors should consider the merits of their proposed solution and must balance the additional costs and coordination associated with their approach with the savings and risk mitigation benefits of the approach.

3.20.3 *Contractor Duties for Data Migration and Conversion*

The Contractor shall have the following duties:

- Migrate and convert all necessary data into the BIS including all preparatory duties such as source-to-target mapping, data cleansing, supporting documentation, etc.

- Design and perform a synchronization strategy during the transition from the existing BIS systems to the replacement BIS.

3.20.4 *Reporting*

The BIS should make substantial use of a COTS reporting/business intelligence tool that allows authorized end users to create, modify, and manage reports and queries, and groups of reports and queries, as well as share reports among users. The Contractor shall develop and deliver all reports that are:

- Necessary for the proper operation of the system.
- Necessary for the proper conduct of the Contractor's business operations duties on the Contract.
- Required to report on a Contract performance standard.
- Are included in the baseline system.
- Are otherwise included in the Contractor's proposed system.
- In addition to reports specified within the body of this RFP, the BIS is also required to produce the reports listed in Attachment P.

The State will create the remainder of the reports it desires to use on the system or will amend the Contract using the Implementation Phase or Operations Phases Modification Pools to engage the Contractor to create additional reports.

3.21 Technical Processes

The Contractor shall document its technical processes in a Systems Engineering Management Plan (SEMP) and the Contractor shall adhere to its documented processes.

3.21.1 *Requirements*

The Contractor shall conduct requirements development for system functions and Contract operations and shall maintain the requirements for the life of the Contract. Because of the varied nature of Offerors' proposed systems, the specific processes and artifacts for requirements may vary from Offeror to Offeror. Offerors shall propose the methods and artifacts needed to accurately and adequately document the State's needs with respect to this Contract.

3.21.2 *Architecture and Design*

The Contractor shall conduct architecture and design activities to ensure that the system and supporting technical and business operations are successful, and shall maintain the architecture and design for the life of the Contract. Because of the varied nature of systems supporting Medicaid programs, the specific processes and artifacts for architecture and design may vary substantially. As a component of the SEMP, Offerors shall propose the methods and artifacts needed to accurately and adequately document the system and operations architecture and design with respect to this Contract and shall maintain this documentation for the life of the Contract. The Contractor shall provide to the State database schema, data dictionaries, entity-

relationship diagrams, and interface standards for the entire system, including those supporting Proprietary Contractor Material without any restrictions for usage in accordance with this RFP.

The proposed solution must be compatible with SCDHHS Framework and capable of meeting SCDHHS Enterprise Reference Architecture standards, which currently are Oracle Fusion Middleware and Mulesoft ESB.

3.21.3 *Configuration and Construction*

The Contractor shall perform system construction and analogous operations development in a fashion that results in a high quality solution, including modifications and upgrades during the life of the Contract.

Testing and Technical Quality Assurance/Quality Control

These objectives are discussed in Section 3.22 and its subsections.

System Modifications and Upgrades

For long-term system maintenance, the State prefers to deploy modifications and upgrades on a scheduled, periodic basis (e.g., monthly, quarterly, etc.). Exceptions to this approach include:

- High priority changes that cannot wait until the next scheduled deployment date.
- Routine changes to business rules and refinements of workflows. The effort associated with these changes must be minimal enough as not to disrupt normal system operations or the maintenance effort itself.
- Regulatory and legislative changes with specific implementation dates.

3.21.4 *System Hosting*

With respect to this Contract, "hosting" means the physical housing of the hardware and software (including servers, storage devices, and network devices), the provisioning of power, network access, and cooling, and the performance of duties requiring physical access to the hardware (including both the primary and disaster recovery sites). The Contractor shall host the proposed solution.

3.21.5 *System Performance*

The BIS must provide access and services on a twenty-four (24) hour basis each day to the greatest extent affordable. Offerors should describe their solutions, its availability and performance capabilities. Offerors should design their overall solution such that availability and performance are effectively balanced with cost and value and describe their rationale and trade-offs.

3.22 Testing and Quality Management Strategy

The general testing and quality management objectives are to follow generally accepted quality management and testing principles to:

- Improve results and outcomes through the application of quality management principles.
- Incorporate testing and quality management as integrated processes in all phases of the Contract rather than as "bolt on" functions applied at the end of each process.
- Identify defects at the earliest practical opportunity.
- Use a unified defect tracking system (preferably COTS or open source) that is continuously available to the State.
- Use results of testing and quality management activities to reduce the occurrence of defects in future artifacts and processes (continuous improvement).
- Provide State and other users access to system capabilities as early as practical in order to gain feedback on quality.

3.22.1 *General Quality Management Approach*

Quality Management (QM) is a comprehensive program that ensures quality of cost measurement, improvement and assurance activities responsive to SCDHHS objectives. Quality management is applicable to all activities conducted by and artifacts produced by every participating organization.

The Offeror must propose and the selected Contractor must provide:

- A Quality Management Plan based on experience and modified to be responsive to SCDHHS needs.
- Documentation supporting the quality indicators and methods that will serve as effective measures of successful implementation.
- Documentation supporting the methodology for meeting SCDHHS requirements.
- Documentation outlining the process for establishing corrective action plans for issues identified during pre and post implementation.

The Offeror must identify the source of their guiding quality management principles, such as:

- Project Management Institute (PMI) Project Management Body of Knowledge (PMBOK)
- Centers for Medicare & Medicaid Services (CMS) Agile Expedited Life Cycle (XLC)
- Centers for Medicare & Medicaid Services (CMS) Expedited Life Cycle (XLC)
- Medicaid Information Technology Architecture (MITA) 3.0
- National Institute of Standards and Technology (NIST)
- International Organization for Standardization (ISO) 9001:2008 Standards
- Carnegie Mellon Software Engineering Institute (SEI) Capability Maturity Model Integration (CMMI) Levels 1-5
- Information Technology Infrastructure Library (ITIL) V3-4

Objectives

SCDHHS objectives for quality management include:

- Improve results and outcomes through the application of quality management principles.
- Incorporate testing and quality management as integrated processes in all phases of the contract.
- Identify defects at the earliest practical opportunity.
- Use a unified defect tracking system (preferably COTS or open source) that is continuously available to the State.
- Use results of testing and quality management activities to reduce the occurrence of failures to show continual process improvement.
- Provide State and Designees access to system capabilities as early as practical in order to gain feedback on quality.

3.22.2 *General Testing Approach*

Testing which aids in quality are an integral part in the overall success of the project between SCDHHS and the Offeror. The State's general philosophy for testing is:

- Testing should be comprehensive but not unnecessarily duplicative.
- Automated testing, particularly for regression testing, is crucial to program success. Automated testing must be extended to enable the pre-deployment evaluation of business and pricing rules changes during the Operations Phase.
- Early user testing can provide important opportunities to gain critical feedback and gain user support for the system.
- The Contractor shall maintain an integrated testing environment that is accessible by SCDHHS staff in Columbia, SC.

3.22.3 *Contractor-Centric Testing*

The following list identifies Contractor-centric testing that should be addressed:

- Unit testing
- Integration testing
- System testing
- Operational Readiness Testing or equivalent
- Regression testing and retesting
- Specialized testing such as security and performance testing
- Interface and integration testing with external entities
- Production problem research and resolution
- System development testing
- Application vulnerability analysis and testing
- Validation of software vendor patches
- Fixes prior to promoting in production
- Testing the validation of edits and updates
- Support for system and user testing

Offerors shall describe their testing strategies in their Proposals.

The State plans to oversee Contractor-centric testing on an as needed basis (particularly system testing and interface/integration testing with external entities), but will generally not intervene unless specific issues drive greater involvement. To avoid premature project progression, the Contractor shall define the entrance and exit criteria for each major test event, subject to State approval, and shall meet these criteria prior to beginning the test event or progressing to the follow on tasks respectively.

3.22.4 *State-Centric Testing*

User Acceptance Testing (UAT) will not be a repetition of system testing. While targeted verification of Contractor test results is likely, particularly for high risk areas, UAT will be geared toward execution of operational scenarios. While these tests, like any other disciplined test, will require planning and structure, they will frequently not be step-by-step, scripted tests. It is not possible to understand how a system will react to "real" users without letting these users exercise it the way they plan to do on a daily basis. Additionally, since training for a complex new system is crucial, the failure of the user-testers to be able to perform required functions will be a clear indication of problems in the system, its documentation, or the training that has been provided.

The Contractor shall plan for a sixty-five (65) business day (roughly three [3] months) final UAT, not including any fix/re-test/regression test cycles.

The State's duties for UAT shall include:

- Leading the planning effort.
- Leading test execution.
- Obtaining participation of outside organizations (e.g., other State agencies, etc.) in the testing.
- Performing functions that will be State duties during the Operations Phase.
- Documenting the results of the testing.

The Contractor's duties shall include:

- Participating in planning and leading detailed planning of test activities to be performed by the Contractor.
- Performing system setup, including test data.
- Deliver an UAT readiness certification and Release Notes detailing all known issues and appropriate resolutions.
- Participating in test execution, and leading detailed execution of test activities to be performed by the Contractor.
- Performing functions that will be Contractor duties during the Operations Phase.
- Analyzing and fixing system problems and documentation defects.

All issues identified during UAT will be classified into category types and severity levels. Category types and severity levels must be approved by SCDHHS. Examples of issue categories include:

- **Defect:** A product requirement or functionality that defines a product which has not been met; anything that causes customer dissatisfaction

- **Enhancement:** To increase or improve the software value or quality to the user not defined in the product requirements or existing functionality

- **Documentation:** Unclear or incomplete information within the Use Cases, Technical Specification or related release documentation

- **Help:** Assistance provided to the user to explain functionality or fields within the application

All defects identified during UAT will be classified into types. Note that these types are different than the operations Problem Classifications defined in Attachment O, for example:

- **Priority 1 (P1) – Urgent:** An issue that prohibits all use of the software application and renders it inoperable

- **Priority 2 (P2) – High:** An issue that occurs regularly and interferes with the proper intended use of the software application, or a discrepancy between the software product and the documentation that affects the software use

- **Priority 3 (P3) – Medium:** An issue that occurs infrequently and does not interfere with the proper intended use of the software application

- **Priority 4 (P4) – Low:** An issue that affects the appearance and presentation of the application but has no impact on the functionality of the software being delivered

Exit criteria from UAT should include:

- All UAT completed as planned
- Adherence to Test Coverage Metrics
    - o 100% test case attempt rate completed
    - o 90% test case pass rate completed
    - o No high severity defects (definition of high severity defects to be agreed upon by Contractor and SCDHHS prior to the start of UAT)
    - o Lower severity defects assigned to a future releases
- User Training completed
- Release Notes provided

Beginning no later than the onset of UAT, the system must be functional at a level that enables SCDHHS' Office of Reporting staff to create up to one hundred (100) reports. These reports were initially created by Office of Reporting staff within the current BIS and must be recreated in the Offeror's proposed system prior to the start of operations. The Contractor must provide support to SCDHHS staff developing these reports by answering questions within one business day. A list of

existing reports to be recreated by SCDHHS staff during the UAT may be found in the Procurement Library.

3.23   Life-Cycle Support Objectives and Strategy

Training

The Contractor shall develop and deliver training for technical and the entire spectrum of BIS users, to include users from the State, the Contractor, and other supporting contractors. The training materials and approach shall include sufficient information to enable trainees to accurately and efficiently perform all assigned tasks related to the BIS and its supporting operations, including business processes. Given this wide spectrum of users, the training materials and methods of delivery will vary widely, and a single training method is not always suitable for every user, even those using the BIS in similar ways.

The Contractor must provide BIS technical and end user training at SCDHHS Columbia office, as part of transition from Implementation to Ongoing Activities, as part of the transition period during subsequent Implementation phases, and at least quarterly on an ongoing basis. In all cases training must be appropriate to the members' level of expertise and expected use and responsibilities with the BIS. Meeting the training needs of all users will require multiple training curricula. The Offeror should provide a separate semi-annual advanced training to the applicable users. The Offeror will not be responsible for providing basic personal computer skills training.

3.23.1   *Training Goals and Objectives*

The goals for training are:

- **Outcomes** – Improve the ability of all users to master applicable portions of the BIS and related business processes.
- **Target audience** – Provide targeted initial and continuation training for State, provider, other Medicaid enterprise contractors, and member users.
- **Methods** – Improve knowledge transfer to trainees by providing multiple training methods tailored to the various user types.
- **Locations** – Improve access to training by making training available online, in person, and virtually to trainees throughout the State.
- **Quality** – Continuously improve training by collecting and acting upon feedback from the trainees.
- **Management** – Manage training for State users via a Learning Management System.

3.23.2   *Training Plan*

The Contractor shall develop and deliver a master Training Plan that describes all planned training classes, events, materials, and resources throughout the life of the Contract and shall be updated at least annually. Training classes shall be planned in order to balance the number of Training Days with the needs of those that require training. Each training class, its location (face-to-face or virtual), its duration and curriculum shall be pre-approved by the State in

writing as part of the Training Plan. The State expects that most training materials will be online or in digital format, the Contractor shall produce materials, such as user manuals, in formats such that they can be easily printed by users preferring hard copy documents (e.g., PDF documents).

3.23.3 *Training Supporting Implementation*

The Contractor shall provide training to State testers in advance of testing. Because UATs will evaluate the quality of training and user documentation, this training and documentation shall be production-ready prior to UAT.

By the time the BIS is ready to be deployed, the Contractor shall have completed the entire training package. Offerors shall propose a strategy that provides comprehensive and manageable training that minimizes unnecessary duplication.

3.23.4 *Training Locations*

Training for State users and users from other supporting contractors will be held in Columbia. SCDHHS has facilities suitable for training up to 20 users at a time. For larger groups or for multiple simultaneous training sessions, the State and Contractor shall work together to identify a suitable location at the State's expense.

3.23.5 *Training Maintenance and Upgrades*

The Contractor shall maintain the training throughout the Operations Phase so that it is current, accurate, and remains consistent with the BIS, policies, legislation, and other directives. The Contractor shall conduct proficiency testing for trainees as part of training events and also gather trainee feedback on the quality of the training. Training maintenance shall include updates necessary to address systemic learning issues and user feedback.

General user training shall be conducted at least quarterly during the Operations Phase and a separate advanced training session for applicable users semi-annually.

Training maintenance does not include updates driven by upgrades to the BIS executed as part of Customer Service Requests or Contract Change Orders. When the system is upgraded via Customer Service Requests or Contract Change Orders, the Contractor's proposed solutions and prices for the changes shall include all necessary upgrades to the training.

3.24 **Documentation**

Contract Data Requirements List (CDRL)

Offerors shall propose additions to the CDRLs listed in Attachment I. All data and documents required for the proper operation and maintenance of the BIS and supporting operations shall be included on the CDRL, and all CDRL data items shall be considered Deliverables. For COTS components, the CDRL shall include technical documentation consistent with the Contractor's proposed long-term system maintenance concept. The CDRL shall include sufficient data items such that a follow-on contractor or the State could successfully assume the duties of operations

and system maintenance in the future. This documentation shall include business process models, State-led and Contractor-led, using Business Process Modeling Notation or other notation as approved by the State. For software whose rights are or will be owned by the State and/or Federal Government, or that are open source or public domain, the CDRL shall include all source code, build files, and other data required to properly modify and maintain that software.

The Contractor shall provide training material in both hardcopy and electronic format.

3.25 Requirements

3.25.1 *General Technical Requirements*

The General Technical requirement objectives include improved system usability that most closely aligns to the SCDHHS' needs with measurable improvements in design quality, maintainability, ability to meet changing requirements, and ongoing technical improvement. While the system is complex in nature, team members should actively work together to eliminate unnecessary complexity from the system.

The Offeror's analysis and design process should address the various system requirements including, but not limited to: function, performance, usability, reliability serviceability, localization, portability, maintainability, security, testability, and extendibility.

The Contractor must participate in state and federal audits, including Payment Error Rate Measurement (PERM) audits, and surveys and studies as well as provide support to SCDHHS during any and all audits and surveys. This support must include, but not be limited to, producing documentation, gathering data, coordinating formal responses, preparing transmittal letters, and assisting SCDHHS in responding to questions from any entity concerning contracted services. The system must also be able to provide aggregate results for studies that SCDHHS contributes data to.

General Technical requirements over the life of the system include:

- Security - support procedures for guarding, monitoring and detecting malicious software (e.g., viruses, worms, malicious code, etc.)
- Relativity - reflect the correct date, in addition to processing, assessing, presenting date/time data, including but not limited to the management, manipulation, processing, comparing, sequencing and other use of date/time data, including single and multi-century formulae and leap years; accurately exchange date/time data when used in combination with other information technology and systems
- Investigative Properties – programming that allows the State to timely, efficiently, and cost effectively detect and investigate fraudulent, abusive or inappropriate reimbursements made to a Medicaid provider
- CMS Certified MARS & SURS - meet all functional requirements as specified in the CMS State Medicaid Manual (SMM) Part II - Medicaid Management Information System

Chapter 3 §§11300 through §§11375 and provide documentation and assurances required by CMS for certification.

- Implement SURS Functionality on BIS to meet CMS requirements, including:
  o Production of a comprehensive statistical profile of health care delivery and utilization patterns established by providers and members in various programs and agency defined categories of services
  o Investigate and reveal improper utilization of the State's Medicaid program with corrective actions
  o Information that reveals and facilitates investigation of potential defects in the level of care and quality of services under the Medicaid program
  o Information regarding the use of covered services and items, including prescribed drugs, through analysis of provider, physician and patient profiles
  o Analysis and reports responsive to the changing needs of SCDHHS managers, Peer Review Organizations, and State Medicaid fraud control units
- Develop system functionality that is based on a Medicaid-proven and expandable data model design concept specialized for on-line analytical processing (OLAP) and includes:
  o Provider and Member lookup capacity with wildcard search functions
  o Provider enrollment information search by
    ▪ Name: entity, provider last name, provider first name
    ▪ Number: provider number, social security number, Federal Employer Identification, license number, First Health license, and national provider identification number.
  o Lookup capacity for other data elements including reference file lookups (i.e., Procedure, Pricing, Diagnosis, etc.)
- Import Data capabilities from external data sources, for example, minimum data sets; Labor, Licensing and Regulation files, and provider report cards.
- On-line Help Capability for all features of the system, including an explanation of the underlying healthcare analytic methodologies and clinical authorities or research on which they are based. (For example: quality of care reports must display the source of the standards for the measurement.)
- Integrated Web-based Interface that allows users to monitor, analyze and optimize systems, as well as analyze trends and details on the most popular reports and data resources being accessed.
- Quality Management Plan which includes and details:

  o Data warehouse is consistent with data transferred from SCDHHS or its designated vendor
  o Detailed data analysis and reporting process
  o Reconcile monthly uploads of data in BIS to SCDHHS financial & eligibility reports, including:

    ▪ Transactions & clients served
    ▪ Payment amounts including gross and net payments before and after claim level recoupment

- ▪ Member demographic information
- Change Process to address changes to record formats for files transmitted from SCDHHS and required additions due to existing and future HIPAA rules and/or other programs, including timeframe for:
  - o Modifications to software to integrate new or modified fields, or new record types
  - o Integration of fields into the BIS
- Data creation and retrieval limitation, including:

  - o Formatting – number of detail rows available for print output, viewing (including limitations for viewing, export and/or print functions); number of columns of data in horizontal display
  - o Number of report definitions that can be saved
  - o Number of maximum simultaneous users
  - o Data usage – user must be able to import, manage and export data based upon user-defined values.
  - o Offeror shall disclose any known data restrictions, including the number of items a user can put into the list and any limitations and/or other data restrictions.
- Automated normative comparison with national medical databases
- Online process that permits creation, storage, editing, copying, and printing of report specifications from a library
- Data integrity through system controls for software program changes and promotion to production

3.25.2 *General User Features*

The objective of the General User Features is to create user engagement with the system such that the system meets both the technical and the user requirements while improving usability, design quality, maintainability, and measurably aligning with SCDHSS' goals. General User Features should lead to accelerated delivery, continuous improvement and validity of services.

The General User Features of the BIS include a consistent user interface, with a common look, feel and command structure throughout the application. To the greatest extent possible, SCDHHS terminology should be used for fields and look-up tables. The system shall support reporting on a set of standard dimensions that are typical of Medicaid (e.g., eligibility categories, provider categories, plan types, geographical areas, age groups, etc.) and are customizable to the State. It must also support the standard Federally-defined categories and be capable of counting members and providers uniquely. The system shall use English labels for fields and easy-to-use look-up tables for diagnosis and procedure codes, categories, subsets, norms, benchmarks, query creation and all other objects and functions including search function by either key word(s) or its corresponding code.

The BIS shall also include the following user-friendly, flexible features:

- Point and click access to a Windows-based user interface with an on-line/contextual help menu and reference information, including access to a matrix-driven report request facility

capable of producing ad hoc reports via PC workstations in SCDHHS-specified (i.e., .xls, .csv, .rtf, .txt, .doc) and other standard software formats.

- The ability to create, access, and store tables created from user queries of the entire database, create normative comparisons from any subset of the entire database, and create sets of reports following each scheduled database update.
- The system shall allow the user to store data subsets, custom reports, and customized norms in user-specific on-line libraries and utilize the above features without the help of technical resources. An adjustable time-out feature for inactivity will be included.
- Display an estimated time of completion for report output.
- Users shall have the capability to:
  - Create calculations with existing and new measures and place a filter on measures.
  - Schedule reports to be run immediately, in background, at a future time (such as a specified date and time), periodically (on a user-defined interval), or after each database update.
  - Select measures, dimensions, subsets and time periods from a menu and apply them as flexible objects that can be inserted through drag-and-drop technology to make cross-tabular and multi-tabular reports; and allow for the flexible pivoting of rows to columns and vice versa.
  - Modify measures, dimensions, subsets and time periods at the user group or individual user levels, and store them for reuse.
  - Exercise complete control over individual queues and priority settings.
  - Administratively allow overrides in the event certain reports or batch jobs require precedence over other submitted jobs.
  - To perform basic analysis after initial training and without expert assistance.
  - Of utilizing a browser/web graphical user interface that is compliant with national standards and an on-line help application and user manuals that are consistent with presentation and information. Data dictionaries must also be available on-line.
  - Access the BIS-supported minimum of four (4) secure user access levels (Limited, Standard, Intermediate, and Advanced) with interfaces and reporting applications appropriate to each level. The user access levels are described as follows:
    - **(Level 1) Limited Access** - For executive-level or untrained users requiring summary-level information in the form of customizable key indicators of overall program and administrative performance, i.e. dashboards, financial and other analytical reports. This level of access includes flexible "slice-and-dice" reporting options, import capability to executive-level interfaces, and storage capacity for BIS and non-BIS produced reports.
    - **(Level 2) Standard Access** - For managers, policy specialists and other intermediate-level report users who need summary and detailed information in a variety of pre-defined report templates specific to their area of interest. Access at this level requires the ability to easily modify these report templates without the need for Level 3 support.
    - **(Level 3) Intermediate Access** - For report specialists and full-time analysts who perform complex analyses and require the flexibility to drill up or down to any level

of detail. This includes the ability to initiate and define reports, queries, and the productivity features that minimize and eliminate the need for user-designed, structured query language (SQL) statements.

- **(Level 4) Advanced Access** - For full-time analysts who perform mainly ad hoc complex analyses with the same capabilities of Level 3 users. In addition, this level of access provides for the addition of productivity features that enable complete flexibility to create customizable table joins, table keys, new fields, user-defined calculations, functions and other features that are usually reserved for advanced staff experienced in data mining.

- The system must provide for the applicable user level the ability to create data subsets, study groups and filter report results. There shall be ready-to-use subsets that are appropriate to Medicaid (such as Federal age groups, ethnicity groups, eligibility groupings), and HEDIS cohorts (such as candidates for preventive screenings) as well as user-defined groups such as ranges of values. The sub-setting feature must support complex "and/or" logic and nesting of subsets and/or scripts.

- The applicable user level must have the capability to:
  - Schedule reports to be run immediately, in background, at a future time (such as a specified date and time), periodically (on a user-defined interval), or after each database update.
  - Control individual queues and priority setting.
  - Create high-level summary reports, frequency distributions, aggregate tables and record listing.
  - Create defined columns and tag columns from one table to another.
  - Create claim level-reporting.
  - Rename, reorganize and navigate to folders/reports.
  - Run and/or modify schedule reports and reports created by another user.
  - Lookup definitions and descriptions of dimensions and measures as well as "Search All" features for values within a dimension.

User Reporting Features: The BIS shall allow for reporting on pre-defined and user-defined time periods (including day, month, quarter, calendar year, federal fiscal year, and state fiscal year). Relative time period reporting should be automatic, so that time periods affected by data updates are automatically adjusted over time without user intervention. An administrative-level user must have the ability to override priority of submitted report jobs. The system should alert the user on the status of a report/job.

  - The system should include:
    - Claim "date of service" and "paid date" as the criteria for date parameters
    - The ability to select a paid date, claim adjustment date, facility admission date, claim submission date, MCO paid date, encounter submission date or service date without the need to create redundant databases. In addition, the system should include the ability to modify measures, dimensions, subsets, and time periods at the user group and individual user levels
    - The ability to store the reports for repeat use, in either public or private libraries, at the user's option.

- **Mathematical & Complex Operator Features:** The BIS shall enable the user to utilize the following complex operators in addition to the standard mathematic operators (addition, subtraction, multiplication, division): comparison, character, logical, miscellaneous, date & time functions, character functions and data type conversion functions.
  - The system shall have the ability to:
    - Report unduplicated counts on any data element. Unduplicated counts must include, but are not limited to: prescriber identification number, procedure code, ICD-9 and ICD-10 diagnosis codes, member, billing provider, National Drug Code number, product name, servicing provider, date of service, paid date, or prescription number.
    - Measures shall be available for exception processing and weighing in order to easily identify the highest deviators.

- **Multi-Level Grouping Features:** The BIS shall enable the user to group on multiple levels at the same time.
  - The BIS system shall be able to group providers and members on any data elements available in the database, allow for filtering on summary items and support complex rules-based pattern identification, including, but not limited to, the ability to subset on measures summarized by member, provider groups, servicing providers or prescribing physicians.

- **Detail Drilling Features**: The BIS shall provide users the ability to drill down from the highest to the lowest level of detail, or drill up from detail to summary, with pre-defined logical drill paths (i.e., from summary to detail) so that the user can move quickly up or down in levels without defining a new query.
  - The system should allow the user to skip levels in the drill path or modify the drill path ―on the fly.
  - The system shall have integrated capability to graph reports and make them presentation-ready without the need to export the data to a third party tool.
  - The system shall provide distribution reporting capability that allows the user to report services, payments, providers, or other facts or dimensions by a range of user-defined values; for example, the number of patients/providers who received/ordered less than 50 labs, 50-100 labs, more than 100 labs, etc.

- **Sub-setting Features:** The BIS shall provide users with ready-to-use subsets that are appropriate to Medicaid (such as Federal age groups, ethnicity groups, eligibility groupings), and HEDIS cohorts (such as candidates for preventive screenings) as well as user-defined groups such as ranges of values.
  - The system shall automatically create denominators for relevant analysis such as candidates for childhood immunizations and patients with chronic disease conditions.

- Flexible filtering (or sub-setting) shall be provided to specify the selection criteria for reports. The sub-setting feature must support complex and/or logic filtering.
- The user shall be able to import, manage and export user-defined values (such as a list of interesting providers) to include in or exclude from reporting.
- Sub-setting capabilities shall identify members who are continuously enrolled over a defined period of time, where users can define the period of time, allow for a variable gap in eligibility, define continuously enrolled populations overall (or at the Plan, Group, or PCP level), and limit results to members who are still enrolled as of the end of the user-defined reporting time period.
- The capability to identify and compare continuously enrolled members shall be applicable to both HEDIS and non-HEDIS measures.
- The system shall provide the ability to apply population subsets or filters based on periods of continuous enrollment, so that analysis of trends and other indicators can be adjusted for breaks in eligibility.

- **System Limitations:** All system limitations and restrictions shall be identified, including, but not limited to, the number of levels that can be grouped at the same time (i.e., level one: member number, level two: provider Group number, level three: provider serving number, level four: diagnosis code), user's sub-setting constraints and any limitations on the number of rules or study groups that can be included in a particular algorithm. Any additional features beyond those required must be explained in detail.

3.25.3 *ADMINISTRATIVE MANAGEMENT FUNCTIONS*

The BIS must include the ability to manage the system through administrator functions available in the application.

The system must be able to manage user access, accounts and sessions at the individual user level with the ability to add, change and delete/disable user accounts. The Offeror's response must describe in detail the capabilities of its proposed solution, including, but not limited to:

- How the system assigns user ids; i.e., does the proposed solution assign the next available id, or will it accept one that is manually entered, and what edit-mask capabilities are provided in either case?
- Ability to manage query times and duration (i.e. to avoid 'run away' queries from utilizing excessive resources).
- Ability to defer large queries to off-peak periods.

The system must be able to monitor system performance & availability, including:

- Tracking and issuing alerts on system downtime
- Tracking and reporting on user session statistics
- Tracking and reporting on system load statistics
- Tracking and reporting on BIS response times, including saved query, ad-hoc query, and report performance

- Tracking and reporting maintenance operations

The system must be able to produce administrative reports and include an Administrative Data Maintenance & Update with new and / or enhanced capability.

The system must include the ability, with appropriate authorization, to update / delete both individual and batches of records, validated and with referential and transactional integrity, with logging and exception handling, once the data has been loaded into the warehouse. For example, the system administrator will occasionally require this capability to clean up incorrectly loaded data, or to apply updates, etc.

The system should be able to track system costs with regard to computer time, disk storage, tape handling and storage, etc.

3.25.4 *LOGGING SERVICES*

The BIS shall have the ability to log events and conditions in the system to meet mandatory record keeping requirements and to facilitate maintenance, operations and support activities. The Offeror's proposal shall specify in detail how it will support and manage the activities needed to meet this requirement, including:

- Ability to monitor successful and unsuccessful log-on attempts, as well as other access attempts, and to quickly detect individual user log-on or access problems
- Ability to log detailed information about system or services status for quality control, technical support and maintenance purposes
- Ability to configure logging to record variable levels of detail, including:
  - The minimum level necessary to track logins and basic information about user sessions and the status of system services
  - Sufficient detail to support:
    - Reviewing/analyzing when and what information was accessed and/or updated, by whom and from what location and provide security incident reporting when potential security violations are detected.
    - Investigating unauthorized access attempts and supervisory overrides
  - Provide a detail level sufficient to diagnose system problems
- Ability to configure the length of time audit records are maintained
- Ability to have multiple logging configurations enabled at the same time; for example, to support diagnosing a system problem in a given module, while logging all accesses to personally identifiable information in encounter records, while maintaining low level logging on all sessions for usage reporting purposes.
- The Offeror shall maintain and support an administrative management interface to permit:
  - Maintaining and configuring the logging services associated with these logging requirements
  - Estimating and monitoring the storage / sizing requirements for logging on an ongoing basis

o Physical management of the logs themselves, including, but not limited to, archiving, purging, truncating by date or size, and deleting.

3.25.5 *ARCHIVING, BACKUP AND RECOVERY SERVICES*

The BIS shall provide the means to perform archiving, backup and recovery processing including:

- Frequency / schedule of archiving and backup activities, in support of and in alignment with SCDHHS' hours of operation
- Techniques on identifying used and unused data for archiving
- System capability to remove old, unused, and otherwise unnecessary data
- Provisions for both automatic and manually specified and initiated archiving and backup of data per State and SCDHHS retention schedules and per SCDHHS' identification of information that is no longer necessary to keep online
- Procedures for backing up data, applications, and system information, in Development, Test and Production environments
- Procedures for referencing and restoration of archives and backups
- Provisions for security for backup files and off-site storage locations
- Provisions for periodic quality assurance exercises
- Hardware, software, media and facilities requirements, including provisions for near-line and off-site storage
- Integration and alignment with the proposed approach and solution to the Disaster Recovery Plan submitted by the Offeror.

Other System Functions that must be included in the BIS:

- Consistency of reporting across all business units while providing individual users a significant degree of reporting flexibility, including the ability to determine frequency of report production.
- Fiscal Analysis, including budgetary analysis and comparison of estimated vs. actual expenditures
- Data to enhance the management of care, including:

  o Incentive reimbursement
  o Case mix – adjusted outcome measurements
  o Targeted pharmacy prior authorization

3.25.6 *DETAILED REQUIREMENTS*

Although this RFP is designed as a Statement of Objectives (SOO), SCDHHS has identified detailed requirements that the proposed system must meet in addition to the objectives outlined in this RFP. The detailed requirements are meant to convey more granularity to the stated objectives. If Offerors identify any conflicting or ambiguous relationships between the objects

and detailed requirements, they are urged to identify those items during the question and answer phase of this solicitation.

The detailed requirements are included as Attachment N to this RFP.

4   INFORMATION FOR OFFERORS TO SUBMIT

4.1   INFORMATION FOR OFFERORS TO SUBMIT – GENERAL (MAR 2015)

You shall submit a signed Cover Page and Page Two. If you submit your offer electronically, you must upload an image of a signed Cover Page and Page Two. Your offer should include all other information and documents requested in this part and in parts II.B. Special Instructions; III. Scope of Work; V. Qualifications; VIII. Bidding Schedule/Price Proposal; and any appropriate attachments addressed in Part IX. Attachments to Solicitations. You should submit a summary of all insurance policies you have or plan to acquire to comply with the insurance requirements stated herein, if any, including policy types; coverage types; limits, sub-limits, and deductibles for each policy and coverage type; the carrier's A.M. Best rating; and whether the policy is written on an occurrence or claims-made basis. [04-4010-2]

4.1.1   *Administrative submission requirements*

- Offerors shall submit Proposals no later than the date and time, and in the manner and quantity, specified on the RFP Cover Page, and pages 3-4. The original Proposals shall be clearly marked as such. Offerors shall comply with RFP Section 2.23 for any materials contained in their Proposal that are confidential. File formats shall be Portable Document Format (PDF) or Microsoft Office-compatible (the Department is using Office 2013). The Proposal shall be submitted in the order and format described below, shall include a table of contents, and shall contain the content required for each section as specified in the various subsections of this section. The Technical Proposal shall not contain any proposed cost or pricing information.

- The printed copies of the Technical Proposal and Cost Proposal shall be in separate binders, and the electronic copies shall be on separate CDs (for quantities of each, please see the page 3). The Cost Proposals do not need to be sealed in separate envelopes or packages. DVD-ROM, DVD+R, or DVD-R may be substituted for CDs, if appropriate, based on the size of the Proposal.

- Submission of a Proposal shall constitute recognition, understanding, acceptance, and consent by the Offeror to adhere (without any reservation or limitation whatsoever) to the requirements, terms, and conditions of this RFP, including any RFP amendments. This consent to adhere to requirements shall also apply to the use of all forms and tables of this RFP. Offerors are not required to repeat each RFP requirement in their responses in order to be found responsive.

- The Proposal shall adhere to the page limitations specified for each section. This includes but is not limited to any additional attachments and/or additional sections added to the Proposal. For example, if the Proposal submission requirements identify submitting a table, Offerors may not add introductory or explanatory material unless expressly permitted in

the instructions. For page-limited sections, Offerors shall identify that actual page count at the top of the section or in the table of contents.

- Audio and/or videotapes or electronic files are not allowed and shall not be considered in the evaluation. Elaborate artwork or expensive paper is not necessary. The Technical Proposal (Sections A – E) shall be printed on 8-½" x 11" paper, shall use 12-point font, and shall be single spaced using 6-point spacing between paragraphs. Font sizes as small as 8-points may be used in graphical figures and in tables; however, Offerors shall not include large multi-page tables with small font for the purposes of circumventing the page limitations. The Proposal shall be printed double-sided and submitted in a loose-leaf notebook(s). Large tables or graphics may be printed on tabloid-sized paper (11" x 17"), and each side used for printing shall count as two pages for those sections with page limits (a tabloid page printed on both sides shall count as four pages). Additionally, tables and charts not otherwise page-limited (e.g., Project Schedule) may be submitted on alternate paper sizes suitable for the material being presented.

- Pricing tables (Section F) may be submitted on any reasonably-sized paper sufficient to display each table in a manner that is easy to interpret (typically 8-½" X 11", 8-½" X 14", and 11" X 17").

4.1.2 *SUBMITTING REDACTED OFFERS (MAR 2015)*

If your offer includes any information that you marked as "Confidential," "Trade Secret," or "Protected" in accordance with the clause entitled "Submitting Confidential Information," you must also submit one complete copy of your offer from which you have removed or concealed such information (the redacted copy). The redacted copy should (i) reflect the same pagination as the original, (ii) show the empty space from which information was redacted, and (iii) be submitted on magnetic media. (See clause entitled "Electronic Copies - Required Media and Format.") Except for the information removed or concealed, the redacted copy must be identical to your original offer, and the Procurement Officer must be able to view, search, copy and print the redacted copy without a password. [04-4030-2].

4.2 Proposal Structure

Table 4.2-1 identifies the required structure of Offerors' Proposals.

Technical/Cost	Section	Title
Technical Proposal	• Section A	• Transmittal Letter
	• Section B	• Proposed Solution
	• Section C	• Organization and Staffing
	• Section D	• Oral Presentation and System Demonstration

Technical/Cost	Section	Title
	• Section E	• Corporate Background and Financial Reports (addressed in RFP Section 5, Qualifications)
Cost Proposal	• Section F	• Pricing Tables (addressed in RFP Section 6.6 and 6.7)

Table 4.2-1. Proposal Structure

4.2.1 *Section by Section Instructions*

Proposal Section A – Transmittal Letter

The Transmittal Letter shall be included as part of the Technical Proposal. The Transmittal Letter must be on the Offeror's official business letterhead and must include the following:

- A statement indicating that the Offeror is a corporation or other legal entity.
- A statement indicating that the Offeror is licensed to do business in South Carolina (include license number) or that business licensure is not required.
- A statement of affirmative action that the Offeror does not discriminate in its employment practices with regard to race, color, religion, age, sex, marital status, political affiliation, national origin, or disability, except as provided by law.
- A statement indicating that the Key Personnel for the project will be those actually assigned.
- A statement that no attempt has been made, or will be made, by the Offeror to induce any party to submit or refrain from submitting a proposal.
- A statement that the Proposal was developed without collusion.
- Signature of Authorized Representative. The Transmittal Letter must be signed by an individual who is authorized to commit the Offeror's organization and its representatives contractually to all statements, including Work and prices, contained in the proposal.

The Offeror shall attach the following signed certifications to the Transmittal Letter:

- Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion–Lower Tier Covered Transactions (Attachment C)
- Certification for Contracts, Grants, Loans, and Cooperative Agreements Relating to Restrictions on Lobbying (Attachment D)
- Drug-Free Workplace Act (Attachment E)
- Minority Businesses (Attachment F)
- Disclosure of Ownership and Control Interest Statement (Attachment G)
- Organizational Conflict of Interest Disclosure (even if no conflicts exist) (Attachment H)

Proposal Section B – Proposed Solution

Subsection	Title	Page Limits
Section B1	Implementation Phase Solution	50 pages + Milestone Table

Subsection	Title	Page Limits
		(not counted in page limit)
Section B2	Operations Phase Solution	100 pages
Section B3	Turnover Phase Solution	15 pages
Section B4	Technical Solution	30 pages
Section B5	Security and Privacy Solution	15 pages
Section B6	Quality Management and Testing Approach	30 pages
Section B7	Project Schedule	10 pages for overview + MS Project plan (not counted in page limit)

Table 4.2-2. Proposal Section B Subsections

Table 4.2-2 shows the structure of Proposal Section B and the page limits for each subsection. The following subsections provide instructions for completing this Proposal Section. Offerors should note that the State is not requesting, nor is it expecting a requirement-by-requirement description of how each system or Services requirement is being met. By submitting a Proposal, Offerors agree to the requirements in the RFP, thus restatement of the requirements is not necessary. Offerors should provide complete and coherent solutions, and references to specific RFP requirements and objectives can be made to illustrate the strategy without needing to resort to comprehensive lists of requirements.

Proposal Section B1. Implementation Phase Solution

This section shall include:

- A description of the Implementation Phase strategy.
- Any assumptions pertinent to the proposed Implementation Phase solution. Offerors are reminded to select assumptions carefully in order to avoid creating Proposal responsiveness issues.
- The Offeror's expectation on the nature and quantity of support needed from the Department or third parties during the Implementation Phase.
- The proposed strategy for project management.
- The proposed strategy for technical management of the solution implementation.
- The proposed data conversion and migration strategy, including a description of data requirements (general data scope, formats, and quality) needed to enable the Offeror's solution to operate according to its Proposal.
- The proposed training strategy for the Implementation Phase.
- The proposed testing strategy.
- The Offeror's assessment of the key risks and issues affecting the Implementation Phase.
- Any other information pertinent to the Implementation Phase solution

In addition, the Offeror shall submit a completed Milestone table.

Proposal Section B2. Operations Phase Solution

This section shall include:

- A description of the Operations Phase strategy.
- A description of how the Offeror's solution will satisfy the SCDHHS' goals, objectives, and requirements.
- Any assumptions pertinent to the proposed Operations Phase solution. Offerors are reminded to select assumptions carefully in order to avoid creating Proposal responsiveness issues.
- The Offeror's expectation on the nature and quantity of support needed from the Department or third parties during the Operations Phase.
- The proposed strategy for operations management.
- The proposed training strategy for the Operations Phase.
- The Offeror's assessment of the key risks and issues affecting the Operations Phase.
- The proposed strategy for documentation maintenance and training materials maintenance.
- Any other information pertinent to the Operations Phase solution.

Proposal Section B3. Turnover Phase Solution

This section shall include:

- A description of the Turnover Phase strategy.
- Any assumptions pertinent to the proposed Turnover Phase solution. Offerors are reminded to select assumptions carefully in order to avoid creating Proposal responsiveness issues.
- Any operations or turnover-related information, documentation, or support that the Offeror intends to be clearly outside the scope of its proposed solution, and thus not intended to be subject to turnover to a successor entity.
- The Offeror's proposed approach to ensure that the turnover is successful and proceeds smoothly.
- The Offeror's expectation on the nature and quantity of support needed from the Department or third parties during the Turnover Phase, including the incoming contractor.
- The Offeror's assessment of the key risks and issues affecting the Turnover Phase.
- Other pertinent information.

Proposal Section B4. Technical Solution

This section shall include:

- A description of the proposed technical solution, including identification of the key technologies used in the solution. Include a top-level architecture description sufficient to permit the State to understand the solution and how technologies are allocated across the solution.
- A list of software licenses, Attachment M, which are required during the term of this contract.

- Any assumptions pertinent to the proposed technical solution. Offerors are reminded to select assumptions carefully in order to avoid creating Proposal responsiveness issues.
- A description of how the proposed solution addresses the Seven Conditions.
- The client system requirements for accessing any provider-facing or State user-facing system capabilities. In particular, identify any CPU limitations, operating system limitations, Web browser compatibility limitations, and other framework, plugin, or application requirements.
- A description of how the proposed solution will support SCDHHS' migration away from large batch transfers of information and towards the use of near real-time Web services.
- Any other information pertinent to the technical solution.

Proposal Section B5. Security and Privacy Solution

This section shall include:

- A description of the proposed security and privacy solution to include a general description of how the proposed solution meets MARS-E requirements and other security- and privacy-related HIPAA requirements.
- Any assumptions pertinent to the proposed security and privacy solution. Offerors are reminded to select assumptions carefully in order to avoid creating Proposal responsiveness issues.
- How the Offeror plans to prepare for and participate in security audits.
- Any other information pertinent to the security and privacy solution.

Proposal Section B6. Quality Management and Testing Approach

This section shall include:

- A description of the proposed quality management processes and controls for this Contract.
- Any assumptions pertinent to the proposed quality management and testing approach. Offerors are reminded to select assumptions carefully in order to avoid creating Proposal responsiveness issues.
- A description of how the Offeror proposes to measure and report on Contract performance standards. The Offeror must include a table listing all Operations Phase performance standards and whether they will be measured on a monthly basis or measured on a 2- or 3-month rolling basis.
- A description of the proposed testing processes including:
  o How these processes will be specifically used to assess system quality and readiness for operations.
  o Identification of Department or third party resources needed to complete testing.
- Any other information pertinent to the quality management and testing approach.

Proposal Section B7. Project Schedule

This section shall include:

- An overview of the submitted Project Schedules with:
  - A discussion of the strategy used to structure major activities and milestones
  - Any assumptions pertinent to the Project Schedule. Offerors are reminded to select assumptions carefully in order to avoid creating Proposal responsiveness issues.
- A Project Schedule for the Implementation Phase in Microsoft Project 2013 or later format and a version in PDF containing at minimum (assume a Contract Effective Date as shown in RFP Section 1.2):
  - Proposed tasks. Tasks must be at a detailed level for the first 90 days of the Contract. Tasks after that date may be at a detailed level or a more high level, at the Offeror's discretion.
  - Task dependencies.
  - Task work/effort quantities (in person-hours).
  - Identification of tasks needing participation of resources external to the Contractor.
- A Project Schedule for the Turnover Phase in Microsoft Project 2013 or later format and a version in PDF containing at minimum (assume a Contract expiration date as shown in RFP Section I.2):
  - Proposed tasks. Due to the variability in turnover conditions, the tasks need be only detailed enough to communicate the general strategy and timing of the Turnover Phase.
  - Task dependencies.
  - Task work/effort quantities (in person-hours).
  - Identification of tasks needing participation of resources external to the Contractor.

Offerors shall include printed copies of the project plan in their original signed Proposals and include the Microsoft Project and PDF files on all CD/DVD submittals.

Proposal Section C – Organization and Staffing

Subsection	Title	Page Limits
Section C1	Overview and Organization	15 pages
Section C2	Planned Facilities	10 pages
Section C3	Key Personnel	2 pages introduction + 3 pages per résumé
Section C4	Labor Categories and Qualifications	2 pages introduction + descriptions and qualifications (no page limit)

Table 4.2-3. Proposal Section C Subsections

Table 4.2-3 shows the structure of Proposal Section C and the page limits for each subsection. The following subsections provide instructions for completing this Proposal Section.

Proposal Section C1. Overview and Organization

This section shall include:

- A description of the proposed organization for each Contract phase (Implementation, Operations, and Turnover). The Turnover Phase organization discussion should focus only on organizational difference from the Operations Phase.
- Organization charts for each Contract phase identifying the general structure of the units performing Work. It is not necessary to include the level of detail illustrating individual workers.
- How the proposed organization fits into the Offeror's corporate structure.
- A listing of all Subcontractors, why they were chosen, and what roles that they will play in the proposed organization.
- How the organizational structure will contribute to Contract success.
- Any assumptions pertinent to the proposed organizational approach. Offerors are reminded to select assumptions carefully in order to avoid creating Proposal responsiveness issues.
- Any other information pertinent to the organizational approach.

Proposal Section C2. Planned Facilities

This section shall include:

- A brief description of the facilities proposed for use in performing Work on the Contract.
- A description of proposed work locations of the staff during the various phases of the Contract and while conducting various tasks. Be sure to identify during which activities the Offeror's staff will perform their duties in Columbia, SC.
- Identification of any alternative work locations (e.g., telecommuting) and how the Offeror proposes to ensure that its security and privacy solution (Proposal Section B5) will be applied at the alternate locations.

Proposal Section C3. Key Personnel

This section shall include:

- Résumés of proposed Key Personnel including reference contact information. The Offeror may propose additional Key Personnel above and beyond those identified in RFP Section 3.10.4 as a demonstration of commitment to continuity on the Contract.

Optionally, this section may include a two-page introduction to this section discussing any relevant aspects associated with its proposed Key Personnel.

Proposal Section C4. Labor Categories and Qualifications

This section shall include:

- A listing or table of all labor categories expected to perform duties on this Contract, and would be billed separately if additional Work was added via the Modification Pool. For example, if the costs associated with an administrative assistant would be allocated to

overhead rather than being billed directly, then that labor category would not need to be included.

- A description of the duties performed by persons in each labor category.
- Any education and training required for each labor category.
- Experience requirements for each labor category, and the amount of experience that can substitute for education and training requirements.
- Skills required for each labor category.
- Any licensing, certification, or accreditation required for each labor category.

Optionally, this section may include a two-page introduction to this section discussing any relevant aspects associated with the labor categories and qualifications.

Proposal Section D – Oral Presentation and System Demonstration

Subsection	Title	Page Limits
Section D1	Oral Presentation	40 slides
Section D2	System Demonstration	20 slides + demonstration

Table 4.2-4. Proposal Section D Subsections

- The State will notify selected Offerors as far in advance as practical of the dates for the Oral Presentation and System Demonstration. The purpose of these events is to enhance the State's understanding of the Offeror's Proposal. Oral Presentations and System Demonstrations do not constitute clarifications, discussions, or negotiations as described in the Procurement Code and Regulations.
- The Offeror will provide a location in which to conduct the Oral Presentation and System Demonstration. This location should support up to eight (8) State personnel. The location should be close to the SCDHHS headquarters, preferably in downtown Columbia.
- The Oral Presentation and System Demonstration will normally occur on a single day, separated by a lunch break.

The State will not record the Oral Presentation or System Demonstration via audio, video, or other electronic means, and the Offeror shall be restricted likewise.

Proposal Section D1. Oral Presentation

- The Offeror shall make an Oral Presentation covering certain aspects of its Proposal. The purpose of the Oral Presentation is to enhance the State's understanding of certain portions of the Offeror's Proposal. **No new information may be offered during the Oral Presentation that was not already addressed in the Offeror's Proposal**. The slide count has been limited in order to facilitate understanding and discussion of the Proposal concepts rather than becoming a high-density slide presentation.
- The Oral Presentation will normally begin at 8:30 AM and conclude no later than 11:30 AM. There shall be ten-minute breaks from 20 minutes past the hour until 30 minutes past the hour each hour. There shall be a lunch break from 11:30 AM – 1:00 PM.

Communications concerning the Offeror's Proposal shall not continue during breaks or outside of the presentation room.

- The Offeror shall present on the following topics:
  - o The Offeror's strategy to complete the Implementation Phase successfully and on schedule.
  - o How the Offeror's technical solution addresses the Seven Conditions and Standards.
    - ▪ How the proposed organizational structure will contribute to Contract success.

The Offeror's Oral Presentation slides must be submitted with its written Proposal as Section D1.

Proposal Section D2. System Demonstration

- The Offeror shall conduct a System Demonstration covering certain aspects of its proposed system. The purpose of the System Demonstration is to enhance the State's understanding of the Offeror's technical solution.
- The System Demonstration will normally begin at 1:00 PM and conclude no later than 4:50 PM. There shall be ten-minute breaks from 50 minutes past the hour until on the hour each hour. Communications concerning the Offeror's Proposal shall not continue during breaks or outside of the presentation room.
- The duration of the System Demonstration is unlikely to be sufficiently long for an Offeror to demonstrate every feature of its proposed system. The Offeror may select what portions of its system to demonstrate; however, time permitting, SCDHHS has a desire to see a demonstration of the following aspects of the proposed solution:
  - o Scripting or how algorithm steps are recorded and reused. Demonstrate how one scripted algorithm be nested in another. Demonstrate how users set parameters and run multiple iterations.
  - o Show how to create summary reports, frequency distributions, aggregate tables and record listings and features of each.
  - o Import and Export capabilities.
  - o Creating subsets.
  - o Tagging columns from one table to another.
  - o Creating user defined columns. Demonstrate how conditional logic is used.
  - o Submitting and scheduling jobs in foreground and background.
  - o Available functions and where they can be used.
  - o Creating study groups with and without a time window.
  - o Demonstrate how to create a couple simple algorithms with meaningful reports – like speech therapy billed during an inpatient stay or a record listing showing two different codes billed on the same day by same provider for the same beneficiary.
  - o Table Cross tabulations
  - o How PHI is masked
  - o Visual Analytics (Graphs, Charts, etc.)

- o Mapping Capabilities
- o Format of Report output, export options
- o Predictive Modelling
- o Looking up definitions/descriptions of dimensions and measures as well as "Search All" features for values within a dimension.
- o High-level, summary reporting
- o Claims-level reporting
- o Patient Health Record – capabilities of viewing the detailed patient healthcare information about an individual Person ID. Display of demographic, utilization and clinical detail.
- o Layout of tables (FFS, MCO, Financials, Facility, Professional, Drug); demo of how used separately and in conjunction with each other
- o Navigating to folders/reports (ad hoc and saved reports)
- o Running/Modifying a report created by another user
- o Features pertaining to the amount of time remaining for a report to finish running (count-down timer)
- o Multiple reports running simultaneously in foreground and notification/indicator as they complete
- o Error Reports and Messages – what happens when a report fails? Or is stuck running (no progress)?
- o Adding/Viewing/Deleting activities and scheduled reports
- o Renaming and reorganizing reports
- o Exporting data results (in all available formats)
- o Ranking capabilities

The Offeror's System Demonstration slides must be submitted with its written Proposal as Section D2.

4.3 SERVICE PROVIDER SECURITY ASSESSMENT QUESTIONNAIRE – REQUIRED (FEB 2015)

[ASK QUESTIONS NOW: If you have a properly qualified third-party report or certification you believe we should accept in lieu of those identified in item (b), submit a question identifying same pursuant to the clause titled Questions from Offerors.]

The Contractor must demonstrate that programs, policies and procedures are in place to adequately provide for the confidentiality, integrity, and availability of the information systems used by contractor to process, store, transmit, and access all government information. In order for the State to accurately evaluate the strength and viability of the Contractor's security policies, procedures and practices related to confidentiality, integrity and availability, Offerors must submit with their offers a thorough and complete written response to the Service Provider Security Assessment Questionnaire ("Response to SPSAQ") attached to this Solicitation, which must address all applicable organizations and applicable information systems. The terms used in this clause shall have the same meaning as the terms defined in the clause titled Information Security – Definitions. [04-4027-1]

5   Qualifications

5.1   Mandatory Minimum Qualifications

In order for an Offeror to be considered for an award it must demonstrate that it possesses, as of the date of proposal submission, all of the following minimum qualifications:

1. Offerors must have been providing business intelligence solutions and decision support systems in the healthcare arena for a minimum of five (5) years.
2. Offerors must meet the State Standards of Responsibility [R.19-445.2125].

Any Offeror not meeting these mandatory minimum qualifications will not be considered for award, and therefore will not be evaluated.

5.2   QUALIFICATION OF OFFEROR (MAR 2015)

(1) To be eligible for award, you must have the capability in all respects to perform fully the contract requirements and the integrity and reliability which will assure good faith performance. We may also consider a documented commitment from a satisfactory source that will provide you with a capability. We may consider information from any source at any time prior to award. We may elect to consider (i) key personnel, any predecessor business, and any key personnel of any predecessor business, including any facts arising prior to the date a business was established, and/or (ii) any subcontractor you identify. (2) You must promptly furnish satisfactory evidence of responsibility upon request. Unreasonable failure to supply requested information is grounds for rejection. (3) Corporate subsidiaries are cautioned that the financial capability of an affiliated or parent company will not be considered in determining financial capability; however, we may elect to consider any security, e.g., letter of credit, performance bond, parent-company corporate guaranty, that you offer to provide Instructions and forms to help assure acceptability are posted on procurement.sc.gov, link to "Standard Clauses & Provisions." [05-5005-2]

5.3   QUALIFICATIONS – REQUIRED INFORMATION (MAR 2015)

Submit the following information or documentation for you and for any subcontractor (at any tier level) that you identify pursuant to the clause titled Subcontractor – Identification. Err on the side of inclusion. You represent that the information provided is complete. (a) The general history and experience of the business in providing work of similar size and scope. (b) Information reflecting the current financial position. Include the most current financial statement and financial statements for the last two fiscal years. If the financial statements have been audited in accordance with the following requirements, provide the audited version of those statements. [Reference Statement of Financial Accounting Concepts No. 5 (FASB, December, 1984), as amended.] (c) A detailed, narrative statement listing the three most recent, comparable contracts (including contact information) which have been performed. For each contract, describe how the supplies or services provided are similar to those requested by this solicitation, and how they differ. (d) A list of every business for which supplies or services substantially similar to those sought with this solicitation

have been provided, at any time during the past three years. (e) A list of every South Carolina public body for which supplies or services have been provided at any time during the past three years, if any. (f) List of failed projects, suspensions, debarments, and significant litigation. [05-5015-2]

5.4   SUBCONTRACTOR – IDENTIFICATION (FEB 2015)

If you intend to subcontract, at any tier level, with another business for any portion of the work and that portion either (1) exceeds 10% of your cost, (2) involves access to any "government information," as defined in the clause entitled "Information Security - Definitions," if included, or (3) otherwise involves services critical to your performance of the work (err on the side of inclusion), your offer must identify that business and the work which they are to perform. Identify potential subcontractors by providing the business name, address, phone, taxpayer identification number, and point of contact. In determining your responsibility, the state may contact and evaluate your proposed subcontractors. [05-5030-2]

Proposal Section E. Corporate Background and Financial Reports

Table 5.2-1 shows the structure of Proposal Section E and the page limits for each subsection.

Subsection	Title	Page Limits (each for the Contractor and applicable subcontractors)
Section E1	Corporate Background	3 pages
Section E2	Relevant Experience and References	3 pages overview + Corporate Experience Table, Attachment J (no page limit) + 1 page each per reference
Section E3	Financial Information	Not applicable
Section E4	Penalties and Damages Asserted	Not applicable

Table 5.2-1. Corporate Capabilities and Financial Reports Proposal Section

Proposal Section E1. Corporate Background

The Offeror shall describe the general structure and capabilities of its company or of the business unit that will service this Contract. In particular, this subsection shall describe its corporate skills and background and how these will contribute to successful Contract performance and provide the greatest value to the State.

Proposal Section E2. Relevant Experience and References

In this section, the Offeror shall describe its relevant experience. This should include a description of engagements/contracts on which the Offeror has performed services similar to those required in this Contract. Relevant experience must be limited to the business unit(s) that the Offeror proposes to perform on this Contract or a direct successor organization.

The Offeror shall list engagements/contracts supporting the relevant experience since January 1, 2010 on the Corporate Experience Table using the template in Attachment J or a reasonable facsimile. There is no limit to the number of relevant engagements/contracts that may be listed in the Experience Table, and this table does not count towards the page limit for this section.

For the three references on the Corporate Experience Table, Offerors shall describe the following (on pages separate from the Experience Table):

1) The contract or project name from the Corporate Experience Table.
2) The customer.
3) The beginning and end dates of the contract.
4) Current contact information for a customer reference for the contract.
5) A brief description of the scope of the work performed on the contract.

The State may contact and use for evaluation purposes any references provided by the Offeror or any other references having direct knowledge of the Offeror's past performance and experience.

Proposal Section E3. Financial Information

The Offeror shall submit the three most-recent years of Annual Reports (for publicly traded companies), audited financial statements (for privately held companies), or unaudited financial statements and tax returns (for privately held companies for which audited statements are not available).

If an Offeror does not have three years of such documentation, it shall submit the relevant documentation that it does have going back no more than three Offeror fiscal years.

Proposal Section E4. Penalties and Damages Asserted

The Offeror shall describe any damages, penalties or credits issued, individually in excess of Fifty Thousand Dollars ($50,000.00) that it or its majority-owned subsidiaries have paid, or which have been asserted against it or such subsidiaries, in the last five (5) years with respect to the contracts listed in the Corporate Experience Table identified in RFP Attachment J. Each description shall include the date of the underlying claim and shall cross-reference to a listed contract. The Offeror shall describe the circumstances of the claim and how it may have rectified the situation that caused the claim of the damages and/or penalties.

6   AWARD CRITERIA

6.1   AWARD CRITERIA -- PROPOSALS (JAN 2006)

Award will be made to the highest ranked, responsive and responsible offeror whose offer is determined to be the most advantageous to the State. [06-6030-1]

6.2   AWARD TO ONE OFFEROR (JAN 2006)

Award will be made to one Offeror. [06-6040-1]

6.3   DISCUSSIONS AND NEGOTIATIONS – OPTIONAL (FEB 2015)

Submit your best terms from both a price and a technical standpoint. Your proposal may be evaluated and your offer accepted without any discussions, negotiations, or prior notice. Ordinarily, nonresponsive proposals will be rejected outright without prior notice. Nevertheless, the State may elect to conduct discussions, including the possibility of limited proposal revisions, but only for those proposals reasonably susceptible of being selected for award. [11-35-1530(6); R.19-445.2095(I)] If improper revisions are submitted during discussions, the State may elect to consider only your unrevised initial proposal, provided your initial offer is responsive. The State may also elect to conduct negotiations, beginning with the highest ranked offeror, or seek best and final offers, as provided in Section 11-35-1530(8). Negotiations may involve both price and matters affecting the scope of the contract, so long as changes are within the general scope of the request for proposals. If negotiations are conducted, the State may elect to disregard the negotiations and accept your original proposal. [06-6058-1]

6.4   EVALUATION FACTORS – PROPOSALS (JAN 2006)

Offers will be evaluated using only the factors stated below. Evaluation factors are stated in the relative order of importance, with the first factor being the most important. Once evaluation is complete, all responsive Offerors will be ranked from most advantageous to least advantageous.

The evaluation criteria, in order of importance, are:

Criterion	Description	Weight
Solution	This criterion evaluates the Offeror's proposed solution in meeting the State's goals and objectives as demonstrated in the Offeror's entire Proposal and supported by the Oral Presentation and System Demonstration.	50 points
Risk	This criterion evaluates the risk of the Offeror's proposed solution and its impact on cost, schedule, system and operations performance, as perceived by the State, throughout the Offeror's entire Proposal. This criterion evaluates to what extent the proposed solution is supported by the Oral Presentation and System Demonstration. It includes, without limitation, the evaluation of risk due to the Offeror's proposed solution, the proposed staff and organization, licensing terms and conditions, past performance and experience, corporate	30 points

Criterion	Description	Weight
	background, financial stability, and the realism of the proposed cost and schedule. This criterion also evaluates the quality of the Offeror's identification and proposed mitigation of risks and issues, as well as the Offeror's introspection on its role as a source of risks and issues.	
Total Enterprise Cost of Ownership	This criterion evaluates the cost of the proposed solution and its impact on administrative costs for the State. Total Enterprise Cost of Ownership includes: Offeror-proposed prices at the estimated volumes for the duration of the contract as shown in Pricing Table I (Total Enterprise Cost of Ownership) and as described in RFP Section 6.7.4 Estimated State project office costs during the Implementation Phase as determined by the State's sole discretion	20 points

6.4.1 *Scoring Normalization*

The State will normalize scores assigned for all evaluation criteria so that the highest scoring Offeror(s) for each criterion will receive the maximum available points. Scores for other Offerors will be scaled using the same factor. For example, if the highest scoring Offeror for Solution receives 40 points of the 50 points available, then all Offerors scores for Solution will be normalized by being multiplied by 1.25, bringing the highest score for Solution up to 50 points.

6.5   UNIT PRICE GOVERNS (JAN 2006)

In determining award, unit prices will govern over extended prices unless otherwise stated.

7 TERMS AND CONDITIONS – A. GENERAL

7.1 ASSIGNMENT, NOVATION, AND CHANGE OF NAME, IDENTITY, OR STRUCTURE (FEB 2015)

(a) Contractor shall not assign this contract, or its rights, obligations, or any other interest arising from this contract, or delegate any of its performance obligations, without the express written consent of the responsible procurement officer. The foregoing restriction does not apply to a transfer that occurs by operation of law (e.g., bankruptcy; corporate reorganizations and consolidations, but not including partial asset sales). Notwithstanding the foregoing, contractor may assign monies receivable under the contract provided that the state shall have no obligation to make payment to an assignee until thirty days after contractor (not the assignee) has provided the responsible procurement officer with (i) proof of the assignment, (ii) the identity (by contract number) of the specific state contract to which the assignment applies, and (iii) the name of the assignee and the exact address or account information to which assigned payments should be made. (b) If contractor amends, modifies, or otherwise changes its name, its identity (including its trade name), or its corporate, partnership or other structure, or its FEIN, contractor shall provide the procurement officer prompt written notice of such change. (c) Any name change, transfer, assignment, or novation is subject to the conditions and approval required by Regulation 19-445.2180, which does not restrict transfers by operation of law. [07-7A004-2]

7.2 BANKRUPTCY (FEB 2015)

(a) Notice. In the event the Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to the Using Governmental Unit. This notification shall be furnished within two (2) days of the initiation of the proceedings relating to the bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of all State contracts against which final payment has not been made. This obligation remains in effect until final payment under this Contract. (b) Termination. This contract is voidable and subject to immediate termination by the State upon the contractor's insolvency, including the filing of proceedings in bankruptcy. [07-7A005-2]

7.3 CHOICE-OF-LAW (JAN 2006)

The Agreement, any dispute, claim, or controversy relating to the Agreement, and all the rights and obligations of the parties shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina, except its choice of law rules. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation. [07-7A010-1]

7.4 CONTRACT DOCUMENTS and ORDER OF PRECEDENCE (FEB 2015)

(a) Any contract resulting from this solicitation shall consist of the following documents: (1) a Record of Negotiations, if any, executed by you and the Procurement Officer, (2) the solicitation, as amended, (3) documentation of clarifications [11-35-1520(8)] or discussions [11-35-1530(6)]

of an offer, if applicable, (4) your offer, (5) any statement reflecting the state's final acceptance (a/k/a "award"), and (6) purchase orders. These documents shall be read to be consistent and complimentary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above.

(b) The terms and conditions of documents (1) through (5) above shall apply notwithstanding any additional or different terms and conditions in any other document, including without limitation, (i) a purchase order or other instrument submitted by the State, (ii) any invoice or other document submitted by Contractor, or (iii) any privacy policy, terms of use, or end user agreement. Except as otherwise allowed herein, the terms and conditions of all such documents shall be void and of no effect.

(c) No contract, license, or other agreement containing contractual terms and conditions will be signed by any Using Governmental Unit. Any document signed or otherwise agreed to by persons other than the Procurement Officer shall be void and of no effect. [07-7A015-2]

7.5   DISCOUNT FOR PROMPT PAYMENT (JAN 2006)

(a) Discounts for prompt payment will not be considered in the evaluation of offers. However, any offered discount will form a part of the award, and will be taken if payment is made within the discount period indicated in the offer by the offeror. As an alternative to offering a discount for prompt payment in conjunction with the offer, offerors awarded contracts may include discounts for prompt payment on individual invoices.

(b) In connection with any discount offered for prompt payment, time shall be computed from the date of the invoice. If the Contractor has not placed a date on the invoice, the due date shall be calculated from the date the designated billing office receives a proper invoice, provided the State annotates such invoice with the date of receipt at the time of receipt. For the purpose of computing the discount earned, payment shall be considered to have been made on the date that appears on the payment check or, for an electronic funds transfer, the specified payment date. When the discount date falls on a Saturday, Sunday, or legal holiday when Federal Government offices are closed and Government business is not expected to be conducted, payment may be made on the following business day. [07-7A020-1]

7.6   DISPUTES (JAN 2006)

(1) Choice-of-Forum. All disputes, claims, or controversies relating to the Agreement shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. Contractor agrees that any act by the Government regarding the Agreement is not a waiver of either the Government's sovereign immunity or the Government's immunity under the Eleventh Amendment of the United State's Constitution. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation. (2) Service of Process. Contractor consents that any papers, notices, or process necessary for the initiation or continuation of any disputes, claims, or controversies relating to the Agreement; for any court action in connection therewith; or for the entry of judgment on any award made, may be served on Contractor by certified mail (return receipt requested) addressed to

Contractor at the address provided as the Notice Address on Page Two or by personal service or by any other manner permitted by law, in or outside South Carolina. Notice by certified mail is deemed duly given upon deposit in the United States mail.

7.7 EQUAL OPPORTUNITY (JAN 2006)

Contractor is referred to and shall comply with all applicable provisions, if any, of Title 41, Part 60 of the Code of Federal Regulations, including but not limited to Sections 60-1.4, 60-4.2, 60-4.3, 60-250.5(a), and 60-741.5(a), which are hereby incorporated by reference. [07-7A030-1]

7.8 FALSE CLAIMS (JAN 2006)

According to the S.C. Code of Laws Section 16-13-240, "a person who by false pretense or representation obtains the signature of a person to a written instrument or obtains from another person any chattel, money, valuable security, or other property, real or personal, with intent to cheat and defraud a person of that property is guilty" of a crime. [07-7A035-1]

7.9 FIXED PRICING REQUIRED (JAN 2006)

Any pricing provided by contractor shall include all costs for performing the work associated with that price. Except as otherwise provided in this solicitation, contractor's price shall be fixed for the duration of this contract, including option terms. This clause does not prohibit contractor from offering lower pricing after award. [07-7A040-1]

7.10 IRAN DIVESTMENT ACT – ONGOING OBLIGATIONS (JAN 2015)

(a) You must notify the procurement officer immediately if, at any time during the contract term, you are added to the Iran Divestment Act List. (b) Consistent with Section 11-57-330(B), you shall not contract with any person to perform a part of the

Work, if, at the time you enter into the subcontract, that person is on the then-current version of the Iran Divestment Act List. [07-7A072-1]

7.11 NO INDEMNITY OR DEFENSE (FEB 2015)

Any term or condition is void to the extent it requires the State to indemnify, defend, or pay attorney's fees to anyone for any reason. [07-7A045-2]

7.12 NOTICE (JAN 2006)

(A) After award, any notices shall be in writing and shall be deemed duly given (1) upon actual delivery, if delivery is by hand, (2) upon receipt by the transmitting party of automated confirmation or answer back from the recipient's device if delivery is by telex, telegram, facsimile, or electronic mail, or (3) upon deposit into the United States mail, if postage is prepaid, a return receipt is requested, and either registered or certified mail is used. (B) Notice to Contractor shall be to the address identified as the Notice Address on Page Two. Notice to the state shall be to the

Procurement Officer's address on the Cover Page. Either party may designate a different address for notice by giving notice in accordance with this paragraph. [07-7A050-1]

7.13 PAYMENT & INTEREST (FEB 2015)

(a) The State shall pay the Contractor, after the submission of proper invoices or vouchers, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract. Unless otherwise specified herein, including the purchase order, payment shall not be made on partial deliveries accepted by the Government. (b) Unless otherwise provided herein, including the purchase order, payment will be made by check mailed to the payment address on "Page Two." (c) Notwithstanding any other provision, payment shall be made in accordance with S.C. Code Section 11-35-45, or Chapter 6 of Title 29 (real property improvements) when applicable, which provides the Contractor's exclusive means of recovering any type of interest from the Owner. Contractor waives imposition of an interest penalty unless the invoice submitted specifies that the late penalty is applicable. Except as set forth in this paragraph, the State shall not be liable for the payment of interest on any debt or claim arising out of or related to this contract for any reason. (d) Amounts due to the State shall bear interest at the rate of interest established by the South Carolina Comptroller General pursuant to Section 11-35-45 ("an amount not to exceed fifteen percent each year"), as amended, unless otherwise required by Section 29-6-30. (e) Any other basis for interest, including but not limited to general (pre- and post-judgment) or specific interest statutes, including S.C. Code Ann. Section 34-31-20, are expressly waived by both parties. If a court, despite this agreement and waiver, requires that interest be paid on any debt by either party other than as provided by items (c) and (d) above, the parties further agree that the applicable interest rate for any given calendar year shall be the lowest prime rate as listed in the first edition of the Wall Street Journal published for each year, applied as simple interest without compounding. (f) The State shall have all of its common law, equitable and statutory rights of set-off. [07-7A055-3]

7.14 PUBLICITY (JAN 2006)

Contractor shall not publish any comments or quotes by State employees, or include the State in either news releases or a published list of customers, without the prior written approval of the Procurement Officer. [07-7A060-1]

7.15 PURCHASE ORDERS (JAN 2006)

Contractor shall not perform any work prior to the receipt of a purchase order from SCDHHS. SCDHHS shall order any supplies or services to be furnished under this contract by issuing a purchase order. Purchase orders may be used to elect any options available under this contract, e.g., quantity, item, delivery date, payment method, but are subject to all terms and conditions of this contract. Purchase orders may be electronic. No particular form is required. An order placed pursuant to the purchasing card provision qualifies as a purchase order. [07-7A065-1]

7.16 SURVIVAL OF OBLIGATIONS (JAN 2006)

The Parties' rights and obligations which, by their nature, would continue beyond the termination, cancellation, rejection, or expiration of this contract shall survive such termination, cancellation, rejection, or expiration, including, but not limited to, the rights and obligations created by the following clauses: Indemnification - Third Party Claims, Intellectual Property Indemnification, Contract Documents and Order of Precedence, HIPPA Compliance and Confidentiality and any provisions regarding warranty or audit. [07-7A075-1]

7.17 TAXES (JAN 2006)

Any tax the Contractor may be required to collect or pay upon the sale, use or delivery of the products shall be paid by the State, and such sums shall be due and payable to the Contractor upon acceptance. Any personal property taxes levied after delivery shall be paid by the State. It shall be solely the State's obligation, after payment to Contractor, to challenge the applicability of any tax by negotiation with, or action against, the taxing authority. Contractor agrees to refund any tax collected, which is subsequently determined not to be proper and for which a refund has been paid to Contractor by the taxing authority. In the event that the Contractor fails to pay, or delays in paying, to any taxing authorities, sums paid by the State to the Contractor, Contractor shall be liable to the State for any loss (such as the assessment of additional interest) caused by virtue of this failure or delay. Taxes based on the Contractor's net income or assets shall be the sole responsibility of the Contractor. [07-7A080-1]

7.18 TERMINATION DUE TO UNAVAILABILITY OF FUNDS (JAN 2006)

Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefore. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be canceled. In the event of a cancellation pursuant to this paragraph, Contractor will be reimbursed the resulting unamortized, reasonably incurred, nonrecurring costs. Contractor will not be reimbursed any costs amortized beyond the initial contract term. [07-7A085-1]

7.19 THIRD PARTY BENEFICIARY (JAN 2006)

This Contract is made solely and specifically among and for the benefit of the parties hereto, and their respective successors and assigns, and no other person will have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Contract as a third party beneficiary or otherwise. [07-7A090-1]

7.20 WAIVER (JAN 2006)

The State does not waive any prior or subsequent breach of the terms of the Contract by making payments on the Contract, by failing to terminate the Contract for lack of performance, or by failing to strictly or promptly insist upon any term of the Contract. Only the Procurement Officer has actual authority to waive any of the State's rights under this Contract. Any waiver must be in writing. [07-7A095-1]

7 TERMS AND CONDITIONS - B. SPECIAL

7.21 BANKRUPTCY – GOVERNMENT INFORMATION (FEB 2015)

(a) All government information (as defined in the clause herein entitled "Information Security - Definitions") shall belong exclusively to the State, and Contractor has no legal or equitable interest in, or claim to, such information. Contractor acknowledges and agrees that in the event Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, government information in its possession and/or under its control will not be considered property of its bankruptcy estate.

(b) Contractor agrees to notify the State within forty-eight (48) hours of any determination that it makes to file for bankruptcy protection, and Contractor further agrees to turn over to the State, before such filing, all government information that is in Contractor's possession in a format that can be readily utilized by the State.

(c) In order to protect the integrity and availability of government information, Contractor shall take reasonable measures to evaluate and monitor the financial circumstances of any subcontractor that will process, store, transmit or access government information. [07-7B007-1]

7.22 CHANGES (JAN 2006)

(1) Contract Modification. By a written order, at any time, and without notice to any surety, the Procurement Officer may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following:
(a) drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the [State] in accordance therewith;
(b) method of shipment or packing;
(c) place of delivery;
(d) description of services to be performed;
(e) time of performance (i.e., hours of the day, days of the week, etc.); or,
(f) place of performance of the services. Subparagraphs (a) to (c) apply only if supplies are furnished under this contract. Subparagraphs (d) to (f) apply only if services are performed under this contract.
(2) Adjustments of Price or Time for Performance. If any such change increases or decreases the Contractor's cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made in the contract price, the delivery schedule, or both, and the contract modified in writing accordingly. Failure of the parties to agree to an adjustment shall not excuse the Contractor from proceeding with the contract as changed, provided that the State promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the Contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.
(3) Time Period for Claim. Within 30 days after receipt of a written contract modification under Paragraph (1) of this clause, unless such period is extended by the Procurement Officer in writing, the Contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the Contractor's claim unless the State is prejudiced by the delay in notification.

(4) Claim Barred After Final Payment. No claim by the Contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract. [07-7B025-1]

7.23 COMPLIANCE WITH LAWS (JAN 2006)

During the term of the contract, contractor shall comply with all applicable provisions of laws, codes, ordinances, rules, regulations, and tariffs. [07-7B035-1]

7.24 CONFERENCE - PRE-PERFORMANCE (JAN 2006)

Unless waived by the Procurement Officer, a pre-performance conference between the Contractor, SCDHHS and Procurement Officer shall be held at a location selected by the State within five (5) days after final award, and prior to commencement of work under the contract. The responsibilities of all parties involved will be discussed to assure a meeting of the minds of all concerned. The Contractor or his duly authorized representative shall be required to attend at Contractor's expense. The date will be mutually determined after award. [07-7B040-1]

7.25 CONTRACT DOCUMENTS AND ORDER OF PRECENDENCE – SOFTWARE LICENSING – SINGLE AGENCY

Notwithstanding the clause entitled "Contract Documents & Order of Precedence," but as provided in the clause titled "Software Licensing Agreements–Single Solicitation," any contract awarded pursuant to this solicitation shall not include a software licensing agreement. Further, the document titled *South Carolina Standard Amendment To End User License Agreements For Commercial Off-The-Shelf Software – Single Agency*, which is attached hereto as Attachment L, is offered as information only and does not form part of the contract.

7.26 CONTRACTOR'S LIABILITY INSURANCE - GENERAL (FEB 2015)

 (a) Without limiting any of the obligations or liabilities of Contractor, Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of no less than A: VII, and maintain for the duration of the contract, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work and the results of that work by the contractor, his agents, representatives, employees or subcontractors.
(b) Coverage shall be at least as broad as:
(1) Commercial General Liability (CGL): Insurance Services Office (ISO) Form CG 00 01 12 07 covering CGL on an "occurrence" basis, including products-completed operations, personal and advertising injury, with limits no less than $1,000,000 per occurrence. If a general aggregate limit applies, the general aggregate limit shall be twice the required occurrence limit. This contract shall be considered to be an "insured contract" as defined in the policy.
(2) Auto Liability: ISO Form Number CA 00 01 covering any auto (Code 1), or if Contractor has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limits no less than $1,000,000 per accident for bodily injury and property damage.
(3) Worker's Compensation: As required by the State of South Carolina, with Statutory Limits, and Employer's Liability Insurance with limit of no less than $1,000,000 per accident for bodily

injury or disease.

(c) Every applicable Using Governmental Unit, and the officers, officials, employees and volunteers of any of them, must be covered as additional insureds on the CGL policy with respect to liability arising out of work or operations performed by or on behalf of the Contractor including materials, parts or equipment furnished in connection with such work or operations. General liability coverage can be provided in the form of an endorsement to the Contractor's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used.   (d) For any claims related to this contract, the Contractor's insurance coverage shall be primary insurance as respects the State, every applicable Using Governmental Unit, and the officers, officials, employees and volunteers of any of them. Any insurance or self-insurance maintained by the State, every applicable Using Governmental Unit, or the officers, officials, employees and volunteers of any of them, shall be excess of the Contractor's insurance and shall not contribute with it.

(e) Prior to commencement of the work, the Contractor shall furnish the State with original certificates and amendatory endorsements or copies of the applicable policy language effecting coverage required by this section. All certificates are to be received and approved by the State before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The State reserves the right to require complete, certified copies of all required insurance policies, including endorsements required by this section, at any time.

(f) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the Contractor shall notify the State immediately upon receiving any information that any of the coverages required by this section are or will be changed, cancelled, or replaced.

(g) Contractor hereby grants to the State and every applicable Using Governmental Unit a waiver of any right to subrogation which any insurer of said Contractor may acquire against the State or applicable Using Governmental Unit by virtue of the payment of any loss under such insurance. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the State or Using Governmental Unit has received a waiver of subrogation endorsement from the insurer.

(h) Any deductibles or self-insured retentions must be declared to and approved by the State. The State may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention.

(i) The State reserves the right to modify these requirements, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances. [07-7B056-2]

7.27 CONTRACTOR'S LIABILITY INSURANCE – INFORMATION SECURITY AND PRIVACY (FEB 2015)

[ASK QUESTIONS NOW: For products providing the coverages required by this clause, the insurance market is evolving. Our research indicates that the requirements stated herein reflect commercially-available insurance products. Any offeror having concerns with any specific requirements of this clause should communicate those concerns to the procurement officer well in advance of opening.]

(a) Without limiting any other obligations or liabilities of Contractor, Contractor shall procure from a company or companies lawfully authorized to do business in South Carolina and with a current A.M. Best rating of no less than A: VII, and maintain for the duration of the contract, a policy or policies of insurance against claims which may arise from or in connection with the performance of the work and the results of that work by the contractor, his agents, representatives, employees, subcontractors or any other entity for which the contractor is legally responsible.

(b) Coverage must include claims for:

(i) information security risks, including without limitation, failure to prevent unauthorized access to, tampering with or unauthorized use of a computer system; introduction of malicious codes, computer viruses, worms, logic bombs, etc., into data or systems; or theft, damage, unauthorized disclosure, destruction, or corruption of information in whatever form;

(ii) privacy risks, including (A) failure to properly handle, manage, store, destroy, or otherwise control non-public personally identifiable information in any format; (B) loss or disclosure of confidential information; and (C) any form of invasion, infringement or interference with rights of privacy, including breach of security/privacy laws or regulations;

(iii) contractual liability for the contractor's obligations described in the clauses titled "Indemnification - Third Party Claims – Disclosure Of Information" and "Information Use And Disclosure;" and

(iv) errors, omissions, or negligent acts in the performance, by the contractor or by any entity for which the contractor is legally responsible, of professional services included in the work.

(c) If the work includes content for internet web sites or any publications or media advertisements, coverage must also include claims for actual or alleged infringement of intellectual property rights, invasion of privacy, as well as advertising, media and content offenses.

(d) If the work includes software, coverage must also include claims for intellectual property infringement arising out of software and/or content (with the exception of patent infringement and misappropriation of trade secrets)

(e) Coverage shall have limits no less than five million ($5,000,000.00) dollars per occurrence and ten million ($10,000,000.00) dollars aggregate.

(f) If the insurance required by this clause is procured on a form affording "claims-made" coverage, then (i) all limits stated above as "per occurrence" shall be understood to mean "per claim" or "per occurrence," as is consistent with the terms of the "claims-made" policy; and (ii) such claims-made insurance shall provide for a retroactive date no later than the date the contract is awarded.

(g) All terms of this clause shall survive termination of the contract and shall continue until thirty (30) days past the final completion of the work, including the performance of any warranty work. In addition, contractor shall maintain in force and effect any "claims-made" coverage for a minimum of two (2) years after final completion of all work or services to be provided hereunder. Contractor shall purchase an extended reporting period, or "tail coverage," if necessary to comply with the latter requirement.

(h) Every applicable Using Governmental Unit, and the officers, officials, employees and volunteers of any of them, must be covered as additional insureds on the policy or policies of insurance required by this clause.

(i) For any claims related to this contract, the insurance coverage required by this clause shall be primary insurance as respects the State, every applicable Using Governmental Unit, and the officers, officials, employees and volunteers of any of them. Any insurance or self-insurance maintained by the State, every applicable Using Governmental Unit, or the officers, officials, employees and volunteers of any of them, shall be excess of the Contractor's insurance and shall not contribute with it.

(j) Prior to commencement of the work, the Contractor shall furnish the State with original certificates of insurance for every applicable policy effecting the coverage required by this clause. All certificates are to be received and approved by the Procurement Officer before work commences. However, failure to obtain the required documents prior to the work beginning shall not waive the Contractor's obligation to provide them. The State reserves the right to require complete, certified copies of all required insurance policies, including policy declarations and any endorsements required by this section, at any time.

(k) Should any of the above described policies be cancelled before the expiration date thereof, notice will be delivered in accordance with the policy provisions. In addition, the Contractor shall notify the State immediately upon receiving any information that any of the coverages required by this clause are or will be changed, cancelled, or replaced.

(l) Contractor hereby grants to the State and every applicable Using Governmental Unit a waiver of any right to subrogation which any insurer of said Contractor may acquire against the State or applicable Using Governmental Unit by virtue of the payment of any loss under such insurance as is required by this clause. Contractor agrees to obtain any endorsement that may be necessary to effect this waiver of subrogation, but this provision applies regardless of whether or not the State or Using Governmental Unit has received a waiver of subrogation endorsement from the insurer.

(m) Any deductibles or self-insured retentions must be declared to and approved by the State. The State may require the Contractor to purchase coverage with a lower deductible or retention or provide proof of ability to pay losses and related investigations, claim administration, and defense expenses within the retention. [07-7B058-1]

7.28 CONTRACTOR'S OBLIGATION - GENERAL (JAN 2006)

The Contractor will be solely responsible for performance under this contract. The Contractor shall provide and pay for all materials, tools, equipment, labor and professional and non-professional services, and shall perform all other acts and supply all other things necessary, to fully and properly perform and complete the work. The Contractor must act as the prime contractor and assume full responsibility for any subcontractor's performance. The Contractor will be considered the sole point of contact with regard to all situations, including payment of all charges and the meeting of all other requirements. [07-7B065-1]

7.29 CONTRACTOR PERSONNEL (JAN 2006)

The Contractor shall enforce strict discipline and good order among the Contractor's employees and other persons carrying out the Contract. The Contractor shall not permit employment of unfit persons or persons not skilled in tasks assigned to them. [07-7B060-1]

7.30 DEFAULT (JAN 2006)

(a) (1) The State may, subject to paragraphs (c) and (d) of this clause, by written notice of default to the Contractor, terminate this contract in whole or in part if the Contractor fails to:
 (i) Deliver the supplies or to perform the services within the time specified in this contract or any extension;
 (ii) Make progress, so as to endanger performance of this contract (but see paragraph (a)(2) of this clause); or
 (iii) Perform any of the other material provisions of this contract (but see paragraph (a)(2) of this clause).
(2) The State's right to terminate this contract under subdivisions (a)(1)(ii) and (1)(iii) of this clause, may be exercised if the Contractor does not cure such failure within ten (10) days (or more if authorized in writing by the Procurement Officer) after receipt of the notice from the Procurement Officer specifying the failure.
(b) If the State terminates this contract in whole or in part, it may acquire, under the terms and in the manner the Procurement Officer considers appropriate, supplies or services similar to those terminated, and the Contractor will be liable to the State for any excess costs for those supplies or services. However, the Contractor shall continue the work not terminated.
(c) Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include (1) acts of God or of the public enemy, (2) acts of the State in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather. In each instance the failure to perform must be beyond the control and without the fault or negligence of the Contractor.
(d) If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for the Contractor to meet the required delivery schedule.
(e) If this contract is terminated for default, the State may require the Contractor to transfer title and deliver to the State, as directed by the Procurement Officer, any (1) completed supplies, and (2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as "manufacturing materials" in this clause) that the Contractor has specifically produced or acquired for the terminated portion of this contract. Upon direction of the Procurement Officer, the Contractor shall also protect and preserve property in its possession in which the State has an interest.
(f) The State shall pay contract price for completed supplies delivered and accepted. The Contractor and Procurement Officer shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property; if the parties fail to agree, the Procurement Officer shall set an amount subject to the Contractor's rights

under the Disputes clause. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the Procurement Officer determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.

(g) If, after termination, it is determined that the Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall, if the contract contains a clause providing for termination for convenience of the State, be the same as if the termination had been issued for the convenience of the State. If, in the foregoing circumstances, this contract does not contain a clause providing for termination for convenience of the State, the contract shall be adjusted to compensate for such termination and the contract modified accordingly subject to the contractor's rights under the Disputes clause.

(h) The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or under this contract.

7.31 ILLEGAL IMMIGRATION (NOV 2008)

(An overview is available at www.procurement.sc.gov) By signing your offer, you certify that you will comply with the applicable requirements of Title 8, Chapter 14 of the South Carolina Code of Laws and agree to provide to the State upon request any documentation required to establish either: (a) that Title 8, Chapter 14 is inapplicable to you and your subcontractors or sub-subcontractors; or (b) that you and your subcontractors or sub-subcontractors are in compliance with Title 8, Chapter 14. Pursuant to Section 8-14-60, "A person who knowingly makes or files any false, fictitious, or fraudulent document, statement, or report pursuant to this chapter is guilty of a felony, and, upon conviction, must be fined within the discretion of the court or imprisoned for not more than five years, or both." You agree to include in any contracts with your subcontractors language requiring your subcontractors to (a) comply with the applicable requirements of Title 8, Chapter 14, and (b) include in their contracts with the sub-subcontractors language requiring the sub-subcontractors to comply with the applicable requirements of Title 8, Chapter 14. [07-7B097-1]

7.32 INDEMNIFICATION-THIRD PARTY CLAIMS – GENERAL (NOV 2011)

Notwithstanding any limitation in this agreement, and to the fullest extent permitted by law, Contractor shall defend and hold harmless Indemnitees for and against any and all suits or claims of any character (and all related damages, settlement payments, attorneys' fees, costs, expenses, losses or liabilities) by a third party which are attributable to bodily injury, sickness, disease or death, or to injury to or destruction of tangible property arising out of or in connection with the goods or services acquired hereunder or caused in whole or in part by any act or omission of contractor, its subcontractors, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, regardless of whether or not caused in part by an Indemnitee, and whether or not such claims are made by a third party or an Indemnitee; however, if an Indemnitee's negligent act or omission is subsequently determined to be the sole proximate cause of a suit or claim, the Indemnitee shall not be entitled to indemnification hereunder. Contractor shall be given timely written notice of any suit or claim. Contractor's obligations hereunder are in no way limited by any protection afforded under workers' compensation acts, disability benefits acts, or other employee benefit acts. This clause shall not negate, abridge, or reduce any other rights or obligations of indemnity which would

otherwise exist. The obligations of this paragraph shall survive termination, cancelation, or expiration of the parties' agreement. This provision shall be construed fairly and reasonably, neither strongly for nor against either party, and without regard to any clause regarding insurance. As used in this clause, "Indemnitees" means the State of South Carolina, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees. [07-7B100-2]

7.33 INDEMNIFICATION - THIRD PARTY CLAIMS – DISCLOSURE OF INFORMATION (FEB 2015)

(a) Without limitation, Contractor shall defend and hold harmless Indemnitees from and against any and all suits, claims, investigations, or fines (hereinafter "action") of any character (and all related damages, settlement payments, attorneys' fees, costs, expenses, losses or liabilities) by a third party which arise out of or in connection with a disclosure of government information (as defined in the clause titled Information Security - Definitions) caused in whole or in part by any act or omission of contractor, its subcontractors at any tier, their employees, workmen, servants, agents, or anyone directly or indirectly employed by them or anyone for whose acts any of them may be liable, regardless of whether or not caused in part by an Indemnitee, and whether or not such action is brought by a third party or an Indemnitee, but only if the act or omission constituted a failure to perform some obligation imposed by the contract or the law.

(b) Indemnitee must notify contractor in writing within a reasonable period of time after Indemnitee first receives written notice of any action. Indemnitee's failure to provide or delay in providing such notice will relieve contractor of its obligations under this clause only if and to the extent that such delay or failure materially prejudices contractors ability to defend such action. Indemnitee must reasonably cooperate with contractor's defense of such actions (such cooperation does not require and is without waiver of an Indemnitees attorney/client, work product, or other privilege) and, subject to Title 1, Chapter 7 of the South Carolina Code of Laws, allow contractor sole control of the defense, so long as the defense is diligently and capably prosecuted. Indemnitee may participate in contractor's defense of any action at its own expense. Contractor may not, without Indemnitee's prior written consent, settle, compromise, or consent to the entry of any judgment in any such commenced or threatened action unless such settlement, compromise or consent (i) includes an unconditional release of Indemnitee from all liability related to such commenced or threatened action, and (ii) is solely monetary in nature and does not include a statement as to, or an admission of fault, culpability or failure to act by or on behalf of, an Indemnitee or otherwise adversely affect an Indemnitee. Indemnitee's consent is necessary for any settlement that requires Indemnitee to part with any right or make any payment or subjects Indemnitee to any injunction.

(c) Notwithstanding any other provision, contractor's obligations pursuant to this clause are without any limitation whatsoever. Contractor's obligations under this clause shall survive the termination, cancellation, rejection, or expiration of the contract. This provision shall be construed fairly and reasonably, neither strongly for nor against either party, and without regard to any clause regarding insurance.

(d) "Indemnitee" means the State of South Carolina, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees. [07-7B102-1]

7.34 INDEMNIFICATION – INTELLECTUAL PROPERTY (JAN 2006)

(a) Without limitation and notwithstanding any provision in this agreement, Contractor shall, upon receipt of notification, defend and indemnify the State, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees against all actions, proceedings or claims of any nature (and all damages, settlement payments, attorneys' fees (including inside counsel), costs, expenses, losses or liabilities attributable thereto) by any third party asserting or involving an IP right related to an acquired item. State shall allow Contractor to defend such claim so long as the defense is diligently and capably prosecuted. State shall allow Contractor to settle such claim so long as (i) all settlement payments are made by Contractor, and (ii) the settlement imposes no non-monetary obligation upon State. State shall reasonably cooperate with Contractor's defense of such claim. (b) In the event an injunction or order shall be obtained against State's use of any acquired item, or if in Contractor's opinion, the acquired item is likely to become the subject of a claim of infringement or violation of an IP right, Contractor shall, without in any way limiting the foregoing, and at its expense, either: (1) procure for State the right to continue to use, or have used, the acquired item, or (2) replace or modify the acquired item so that it becomes non-infringing but only if the modification or replacement does not adversely affect the specifications for the acquired item or its use by State. If neither (1) nor (2), above, is practical, State may require that Contractor remove the acquired item from State, refund to State any charges paid by State therefor, and take all steps necessary to have State released from any further liability. (c) Contractors obligations under this paragraph do not apply to a claim to the extent (i) that the claim is caused by Contractor's compliance with specifications furnished by the State unless Contractor knew its compliance with the State's specifications would infringe an IP right, or (ii) that the claim is caused by Contractor's compliance with specifications furnished by the State if the State knowingly relied on a third party's IP right to develop the specifications provided to Contractor and failed to identify such product to Contractor. (d) As used in this paragraph, these terms are defined as follows: "IP right(s)" means a patent, copyright, trademark, trade secret, or any other proprietary right. "Acquired item(s)" means the rights, goods, or services furnished under this agreement. "Specification(s)" means a detailed, exact statement of particulars such as a statement prescribing materials, dimensions, and quality of work. (e) Contractor's obligations under this clause shall survive the termination, cancellation, rejection, or expiration of this Agreement. [07-7B103-1]

7.35 INFORMATION SECURITY – DEFINITIONS (FEB 2015)

The following definitions are used in those clauses that cross reference this clause.

Compromise means disclosure of information to unauthorized persons, or a violation of the security policy of a system in which unauthorized intentional or unintentional disclosure, modification, destruction, or loss of an object may have occurred. Without limitation, the term "compromise" includes copying the data through covert network channels, or copying the data to unauthorized media, or disclosure of information in violation of any obligation imposed by this contract.

Data means a subset of information in an electronic format that allows it to be retrieved or transmitted.

Government information means information (i) provided to Contractor by, or generated by Contractor for, the using governmental unit, or (ii) acquired or accessed by Contractor as a result of performing the Work. Without limiting the foregoing, government information includes any information that Contractor acquires or accesses by software or web-based services, which includes, without limitation, any metadata or location data. Government information excludes unrestricted information.

Information means any communication or representation of knowledge such as facts, statistics, or opinions, in any medium or form, including textual, numerical, graphic, cartographic, narrative, or audiovisual.

Information system means a discrete set of information resources organized for the collection, processing, maintenance, use, sharing, dissemination, or disposition of information.

Public information means any specific information, regardless of form or format, that the State has actively and intentionally disclosed, disseminated, or made available to the public. Information is not public information solely because it may be subject to inspection pursuant to an unfulfilled public records request.

Software means any computer program accessed or used by the Using Governmental Unit or a third party pursuant to or as a result of this contract.

Third party means any person or entity other than the Using Governmental Unit, the Contractor, or any subcontractors at any tier.

Unrestricted information means (1) public information acquired other than through performance of the work, (2) information acquired by Contractor prior to contract formation, (3) information incidental to your contract administration, such as financial, administrative, cost or pricing, or management information, and (4) any ideas, concepts, know-how, methodologies, processes, technologies, techniques which Contractor develops or learns in connection with Contractor's performance of the work.

Web-based service means a service accessed over the Internet and acquired, accessed, or used by the using governmental unit or a third party pursuant to or as a result of this contract, including without limitation, cloud services, software-as-a-service, and hosted computer services. [07-7B104-1]

7.36 INFORMATION SECURITY – LOCATION OF DATA (FEB 2015)

Notwithstanding any other provisions, contractor is prohibited from processing, storing, transmitting, or accessing government information, as defined in the clause titled Information Security - Definitions, outside the continental United States. For clarity, this obligation is a material requirement of this contract and applies to subcontractors at any tier. [07-7B106-1]

7.37 INFORMATION SECURITY – SAFEGUARDING REQUIREMENTS (FEB 2015)

(a)   Definitions. The terms used in this clause shall have the same meaning as the terms defined in the clause titled Information Security – Definitions. In addition, as used in this clause—

Clearing means removal of data from an information system, its storage devices, and other peripheral devices with storage capacity, in such a way that the data may not be reconstructed using common system capabilities (i.e., through the keyboard); however, the data may be reconstructed using laboratory methods.

Intrusion means an unauthorized act of bypassing the security mechanisms of a system.

Media means physical devices or writing surfaces including but not limited to magnetic tapes, optical disks, magnetic disks, large scale integration memory chips, and printouts (but not including display media, e.g., a computer monitor, cathode ray tube (CRT) or other (transient) visual output) onto which information is recorded, stored, or printed within an information system.

Safeguarding means measures or controls that are prescribed to protect information.

Voice means all oral information regardless of transmission protocol.

(b) Safeguarding Information. Without limiting any other legal or contractual obligations, contractor shall implement and maintain reasonable and appropriate administrative, physical, and technical safeguards (including without limitation written policies and procedures) for protection of the security, confidentiality and integrity of the government information in its possession. In addition, contractor stall apply security controls when the contractor reasonably determines that safeguarding requirements, in addition to those identified in paragraph (c) of this clause, may be required to provide adequate security, confidentiality and integrity in a dynamic environment based on an assessed risk or vulnerability.

(c) Safeguarding requirements and procedures. Contractor shall apply the following basic safeguarding requirements to protect government information from unauthorized access and disclosure:

(1) Protecting information on public computers or Web sites: Do not process government information on public computers (e.g., those available for use by the general public in kiosks, hotel business centers) or computers that do not have access control. Government information shall not be posted on Web sites that are publicly available or have access limited only by domain/Internet Protocol restriction. Such information may be posted to web pages that control access by user ID/password, user certificates, or other technical means, and that provide protection via use of security technologies. Access control may be provided by the intranet (versus the Web site itself or the application it hosts).

(2) Transmitting electronic information. Transmit email, text messages, blogs, and similar communications that contain government information using technology and processes that provide the best level of security and privacy available, given facilities, conditions, and environment.

(3) Transmitting voice and fax information. Transmit government information via voice and fax only when the sender has a reasonable assurance that access is limited to authorized recipients.

(4) Physical and electronic barriers. Protect government information by at least one physical and one electronic barrier (e.g., locked container or room, login and password) when not under direct individual control.

(5) Sanitization. At a minimum, clear information on media that have been used to process government information before external release or disposal. Overwriting is an acceptable means of clearing media in accordance with National Institute of Standards and Technology 800–88, Guidelines for Media Sanitization, at http://csrc.nist.gov/ publications/nistpubs/800-88/NISTSP800-88_with-errata.pdf.

(6) Intrusion protection. Provide at a minimum the following protections against intrusions and compromise:

(i) Current and regularly updated malware protection services, e.g., anti-virus, antispyware.

(ii) Prompt application of security-relevant software upgrades, e.g., patches, service packs, and hot fixes.

(7) Transfer limitations. Transfer government information only to those subcontractors that both require the information for purposes of contract performance and provide at least the same level of security as specified in this clause.

(d) Subcontracts. Any reference in this clause to Contractor also includes any subcontractor at any tier. Contractor is responsible for, and shall impose by agreement requirements at least as secure as those imposed by this clause on, any other person or entity that contractor authorizes to take action related to government information.

(e) Other contractual requirements regarding the safeguarding of information. This clause addresses basic requirements and is subordinate to any other contract clauses or requirements to the extent that it specifically provides for enhanced safeguarding of information or information systems. [07-7B105-1]

7.38 INFORMATION USE AND DISCLOSURE (FEB 2015)

Except to the extent necessary for performance of the work, citizens should not be required to share information with those engaged by the government in order to access services provided by the government and such information should be used by those engaged by the government only to the extent necessary to perform the work acquired; accordingly, this clause addresses basic requirements for the Contractor's use and disclosure of government information, which expressly includes, but is not limited to, information provided by or obtained from the citizens. Anonymizing information does not resolve the foregoing concern. This clause should be broadly interpreted to effectuate this intent. Every obligation in this clause is material. Absent express reference to this clause, this clause supersedes any other clause to the extent of any inconsistency unless and to the extent the other clause provides greater protection for government information.

(a) Definitions. The terms used in this clause shall have the same meaning as the terms defined in the clause titled Information Security – Definitions.

(b) Legal mandates. Contractor shall be permitted to use, disclose, or retain government information to the limited extent necessary to comply with any requirement imposed on Contractor by law. If it is necessary for Contractor to use, disclose, or retain government information in order to comply with a law, Contractor shall provide using governmental unit with written notice, including a description of the circumstances and applicable law, in advance of such use, disclosure or retention except to the extent expressly prohibited by law.

(c) Flow down. Any reference in this clause to Contractor also includes any subcontractor at any tier. Contractor is responsible for, and shall impose by agreement the requirements of this clause on, any other person or entity that contractor authorizes to take action related to government information.

(d) Collecting Information. Contractor must gather and maintain government information only to the minimum extent necessary to accomplish the work.

(e) Rights, Disclosure and Use. Except as otherwise expressly provided in this solicitation, Contractor agrees NOT to either (1) use or disclose government information, or (2) retain government information after termination or expiration of this contract. Contractor acquires no rights in any government information except the limited rights to use, disclose and retain the government information in accordance with the terms of this solicitation. To the extent reasonably necessary to perform the work, Contractor may: (i) use (including access, process, transmit, and store) and maintain the government information itself; and (ii) disclose government information to persons having a need-to-know (e.g., subcontractors). Before disclosing government information to a subcontractor or third party, Contractor shall give the using governmental unit detailed written notice of both the reason for disclosure and the identity and location of the recipient. The notice shall be provided no later than fifteen (15) business days in advance of the disclosure.

(f) Return. Notwithstanding the using governmental unit's failure to perform or the pendency of a dispute, Contractor agrees to promptly deliver to the using governmental unit (or destroy, at the using governmental unit's option) all government information in its possession as and upon written request of using governmental unit (provided that, if the contract has not expired or been terminated, Contractor shall be excused from the performance of any work reasonably dependent on Contractor's further access to such government information).

(g) Privacy Policy & Applicable Laws. Without limiting any other legal or contractual obligations imposed by this contract or the law, Contractor shall (a) comply with its own privacy policies and written privacy statements relevant to the work, and (b) comply with (1) all laws applicable to Contractor regarding government information, and (2) all laws and standards identified in the clause, if included, entitled Information Use and Disclosure – Standards.

(h) Actions Following Disclosure. Immediately upon discovery of a compromise or improper use of government information, Contractor shall take such action as may be necessary to preserve

forensic evidence and eliminate the cause of the compromise or improper use. As soon as practicable, but no later than twenty-four hours after discovery, Contractor shall notify using governmental unit of the compromise or improper use, including a description of the circumstances of the use or compromise. As soon as practicable after discovery, Contractor shall undertake a thorough forensic investigation of any compromise or improper use and provide the using governmental unit all information necessary to enable the using governmental unit to fully understand the nature and extent of the compromise or improper use. With regard to any compromise or improper use of government information, Contractor shall: (1) provide any notification to third parties legally required to be provided such notice by Contractor, and if not (e.g., if legally required of the using governmental unit), Contractor shall reimburse using governmental unit for the cost of providing such notifications; (2) pay all costs and expenses for at least two years of identity theft monitoring services (including without limitation, credit monitoring) and identity theft restoration services for any such affected individuals receiving notice where such services are appropriate given the circumstances of the incident and the nature of the information compromised; (3) undertake any other measures that are customary and reasonable for an entity to take when experiencing a similar disclosure, (4) pay any related fines or penalties imposed on the using governmental unit, and (5) reimburse the Using Governmental Unit all costs reasonably incurred for communications and public relations services involved in responding to the compromise or improper us. Notwithstanding any other provision, contractor's obligations pursuant to this item (h) are without limitation.

(i) Survival & Remedy. All the obligations imposed by this paragraph are material. The obligations of this section shall survive termination or expiration of the contract. Without limiting any rights the using governmental unit may have, and notwithstanding any other term of this contract, Contractor agrees that using governmental unit may have no adequate remedy at law for a breach of Contractor's obligations under this clause and therefore the using governmental unit shall be entitled to pursue equitable remedies in the event of a breach of this clause. [07-7B108-1]

7.39 INFORMATION USE AND DISCLOSURE – STANDARDS (FEB 2015)

To the extent applicable:

(a) Breach of security of state agency data; notification; rights and remedies of injured parties; penalties; notification of Consumer Protection Division, S.C. Code Ann. Section 1-11-490.

(b) South Carolina Financial Identity Fraud and Identity Theft Protection Act (FIFITPA), 2008 Act 190, as amended. Solely for purposes of Section 39-1-90 of the South Carolina Code of Laws, as amended, Contractor is deemed to be the owner of government information, as defined herein, and Contractor agrees that the Using Governmental Unit is not a licensee.

(c) The South Carolina Family Privacy Protection Act of 2002, S.C. Code Ann. Sections 30-2-10, et seq.

(d) Personal Identifying Information Privacy Protection, S.C. Code Ann. Sections 30-2-310 et seq.

(e) Data Breach Notification, 2014 Act No. 286, Section 117.117, as revised in any future annual appropriations act. [07-7B110-1]

7.40 LICENSES AND PERMITS (JAN 2006)

During the term of the contract, the Contractor shall be responsible for obtaining, and maintaining in good standing, all licenses (including professional licenses, if any), permits, inspections and related fees for each or any such licenses, permits and /or inspections required by the State, county, city or other government entity or unit to accomplish the work specified in this solicitation and the contract. [07-7B115-1]

7.41 OFFSHORE CONTRACTING PROHIBITED (FEB 2015)

No part of the resulting contract from this solicitation may be performed offshore of the United States by persons located offshore of the United State or by means, methods, or communications that, in whole or in part, take place offshore of the United States. [07-7B122-1]

7.42 PRICE ADJUSTMENTS (JAN 2006)

 (1) Method of Adjustment. Any adjustment in the contract price made pursuant to a clause in this contract shall be consistent with this Contract and shall be arrived at through whichever one of the following ways is the most valid approximation of the actual cost to the Contractor (including profit, if otherwise allowed): (a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable; (b) by unit prices specified in the Contract or subsequently agreed upon; (c) by the costs attributable to the event or situation covered by the relevant clause, including profit if otherwise allowed, all as specified in the Contract; or subsequently agreed upon; (d) in such other manner as the parties may mutually agree; or, (e) in the absence of agreement by the parties, through a unilateral initial written determination by the Procurement Officer of the costs attributable to the event or situation covered by the clause, including profit if otherwise allowed, all as computed by the Procurement Officer in accordance with generally accepted accounting principles, subject to the provisions of Title 11, Chapter 35, Article 17 of the S.C. Code of Laws. (2) Submission of Price or Cost Data. Upon request of the Procurement Officer, the contractor shall provide reasonably available factual information to substantiate that the price or cost offered, for any price adjustments is reasonable, consistent with the provisions of Section 11-35-1830. [07-7B160-1] (1) Method of Adjustment. Any adjustment in the contract price made pursuant to a clause in this contract shall be consistent with this Contract and shall be arrived at through whichever one of the following ways is the most valid approximation of the actual cost to the Contractor (including profit, if otherwise allowed): (a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable; (b) by unit prices specified in the Contract or subsequently agreed upon; (c) by the costs attributable to the event or situation covered by the relevant clause, including profit if otherwise allowed, all as specified in the Contract; or subsequently agreed upon; (d) in such other manner as the parties may mutually agree; or, (e) in the absence of agreement by the parties, through a unilateral initial written determination by the Procurement Officer of the costs

attributable to the event or situation covered by the clause, including profit if otherwise allowed, all as computed by the Procurement Officer in accordance with generally accepted accounting principles, subject to the provisions of Title 11, Chapter 35, Article 17 of the S.C. Code of Laws. (2) Submission of Price or Cost Data. Upon request of the Procurement Officer, the contractor shall provide reasonably available factual information to substantiate that the price or cost offered, for any price adjustments is reasonable, consistent with the provisions of Section 11-35-1830. [07-7B160-1]

7.43 PRICE ADJUSTMENTS – LIMITED BY CPI "ALL ITEMS" (JAN 2006)

Upon request and adequate justification, the Procurement Officer may grant a price increase up to, but not to exceed, the unadjusted percent change for the most recent 12 months for which data is available, that is not subject to revision, in the Consumer Price Index (CPI) for all urban consumers (CPI-U), "all items" for services, as determined by the Procurement Officer. The Bureau of Labor and Statistics publishes this information on the web at www.bls.gov [07-7B170-1]

7.44 PRICING DATA -- AUDIT -- INSPECTION (JAN 2006)

[Clause Included Pursuant to Section 11-35-1830, - 2210, & -2220] (a) Cost or Pricing Data. Upon Procurement Officer's request, you shall submit cost or pricing data, as defined by 48 C.F.R. Section 2.101 (2004), prior to either (1) any award to contractor pursuant to 11-35-1530 or 11-35-1560, if the total contract price exceeds $500,000, or (2) execution of a change order or contract modification with contractor which exceeds $100,000. Your price, including profit or fee, shall be adjusted to exclude any significant sums by which the State finds that such price was increased because you furnished cost or pricing data that was inaccurate, incomplete, or not current as of the date agreed upon between parties. (b) Records Retention. You shall maintain your records for three years from the date of final payment, or longer if requested by the Chief Procurement Officer. The State may audit your records at reasonable times and places. As used in this subparagraph (b), the term "records" means any books or records that relate to cost or pricing data submitted pursuant to this clause. In addition to the obligation stated in this subparagraph (b), you shall retain all records and allow any audits provided for by 11-35-2220(2). (c) Inspection. At reasonable times, the State may inspect any part of your place of business which is related to performance of the work. (d) Instructions Certification. When you submit data pursuant to subparagraph (a), you shall (1) do so in accordance with the instructions appearing in Table 15-2 of 48 C.F.R. Section 15.408 (2004) (adapted as necessary for the state context), and (2) submit a Certificate of Current Cost or Pricing Data, as prescribed by 48 CFR Section 15.406-2(a) (adapted as necessary for the State context). (e) Subcontracts. You shall include the above text of this clause in all of your subcontracts. (f) Nothing in this clause limits any other rights of the state. [07-7B185-1]

7.45 PRIVACY - WEB SERVICES (JAN 2006)

You agree that any information acquired by you about individuals or businesses that is available to you as a result of your performance of this contract shall not be retained beyond the end of the term of the contract without the express written consent of SCDHHS. Such information shall never be sold, traded, or released to another entity, including affiliates, and shall not be used for

any purpose other than performing this contract. Upon request, contractor shall provide written confirmation of compliance with this clause. [07-7B195-1]

7.46 DATA SECURITY

The Contractor shall implement and document comprehensive security programs securing all data, informational and transactional components from unauthorized access from any internal or external source including Contractor and its subcontractors, SCDHHS employees, third party users or outside intruders. Contractor shall use, implement, and document reasonable, recognized and proven appropriate security practices to make information secure. The security system must include the capability of immediate detection and documentation of any security compromise or breach. Security measures must meet or exceed applicable federal standards and guidance, as amended, during the Term of this Contract.

7.47 RELATIONSHIP OF THE PARTIES (JAN 2006)

Neither party is an employee, agent, partner, or joint venturer of the other. Neither party has the right or ability to bind the other to any agreement with a third party or to incur any obligation or liability on behalf of the other party. [07-7B205-1]

7.48 RESTRICTIONS ON PRESENTING TERMS OF USE OR OFFERING ADDITONAL SERVICES (FEB 2015)

(a) Citizens, as well as public employees (acting in their individual capacity), should not be unnecessarily required to agree to or provide consent to policies or contractual terms in order to access services acquired by the government pursuant to this contract (hereinafter "applicable services") or, in the case of public employees, to perform their job duties; accordingly, in performing the work, contractor shall not require or invite any citizen or public employee to agree to or provide consent to any end user contract, privacy policy, or other terms of use (hereinafter "terms of use") not previously approved in writing by the procurement officer. Contractor agrees that any terms of use regarding applicable services are void and of no effect.

(b) Unless expressly provided in the solicitation, public contracts are not intended to provide contractors an opportunity to market additional products and services; accordingly, in performing the work, contractor shall not – for itself or on behalf of any third party – offer citizens or public employees (other than the procurement officer) any additional products or services not required by the contract.

(c) Any reference to contractor in items (a) or (b) also includes any subcontractor at any tier. Contractor is responsible for compliance with these obligations by any person or entity that contractor authorizes to take any action related to the work.

(d) Any violation of this clause is a material breach of contract. The parties acknowledge the difficulties inherent in determining the damage from any breach of these restrictions. Contractor shall pay the state liquidated damages of $1,000 for each contact with a citizen or end user that violates this restriction. [07-7B212-1]

7.49 SERVICE PROVIDER SECURITY PRESENTATION (FEB 2015)

The following obligations are subordinate to any other contract clause to the extent the other clause specifically provides for enhanced safeguarding of government information, applicable information systems, or applicable organizations. Offeror (i) warrants that the work will be performed, and any applicable information system (as defined in the clause titled "Information Security - Definitions") will be established and maintained in substantial conformity with the information provided in Offeror's Response to SPSAQ; (ii) agrees to provide the Using Governmental Unit with prompt notice of any material variation in operations from that reflected in the Response to SPSAQ; and (iii) agrees to comply with all other obligations involving either information security or information use and disclosure imposed by the contract, notwithstanding any inconsistent statement in Offeror's Response to SPSAQ. To the extent Offeror's Response to SPSAQ does not conform to any other contractual requirements, the Using Agency's lack of objection does not constitute a waiver [07-7B217-1]

7.50 TERM OF CONTRACT - EFFECTIVE DATE / INITIAL CONTRACT TERM

Maximum Contract Term: November 1, 2016 through October31, 2021.

Initial Contract Term: November 1, 2016 through October 31, 2019 (3 years).

The effective date of this contract is the first day of the Maximum Contract Term as specified on the final statement of award. The initial term of this contract is **three (3) years**, from the effective date. Regardless, this contract expires no later than the last date stated on the final statement of award. The initial term will be canceled only if funds are not appropriated or otherwise made available to support continuation of performance in any fiscal period succeeding the first. However, this does not affect either the State's rights or the Contractor's rights under any termination clause in the contract.

7.51 TERM OF CONTRACT - OPTION TO RENEW

(a)At the end of the initial contract term, and at the end of each renewal term, this contract shall automatically renew for a term of one **(1) year**, unless either party elects not to renew the contract. SCDHHS may elect not to renew by providing the Contractor notice of its intention not to renew, in writing, no later than 120 days prior to the renewal date. Regardless, this contract expires no later than the last date stated on the final statement of award. (b) Contractor acknowledges that, unless excused by Section 11- 57-320, if the contractor is on the then-current Iran Divestment Act List as of the date of any contract renewal, the renewal will be void ab initio.

7.52 TERMINATION FOR CONVENIENCE (JAN 2006)

(1) Termination. The Procurement Officer may terminate this contract in whole or in part, for the convenience of the State. The Procurement Officer shall give written notice of the termination to the contractor specifying the part of the contract terminated and when termination becomes

effective.

(2) Contractor's Obligations. The contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the contractor will stop work to the extent specified. The contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The Procurement Officer may direct the contractor to assign the contractor's right, title, and interest under terminated orders or subcontracts to the State. The contractor must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.

(3) Right to Supplies. The Procurement Officer may require the contractor to transfer title and deliver to the State in the manner and to the extent directed by the Procurement Officer: (a) any completed supplies; and (b) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing material") as the contractor has specifically produced or specially acquired for the performance of the terminated part of this contract. The contractor shall, upon direction of the Procurement Officer, protect and preserve property in the possession of the contractor in which the State has an interest. If the Procurement Officer does not exercise this right, the contractor shall use best efforts to sell such supplies and manufacturing materials in accordance with the standards of Uniform Commercial Code Section 2-706. Utilization of this Section in no way implies that the State has breached the contract by exercise of the Termination for Convenience Clause.

(4) Compensation. (a) The contractor shall submit a termination claim specifying the amounts due because of the termination for convenience together with cost or pricing data required by Section 11-35-1830 bearing on such claim. If the contractor fails to file a termination claim within one year from the effective date of termination, the Procurement Officer may pay the contractor, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) The Procurement Officer and the contractor may agree to a settlement and that the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the State, the proceeds of any sales of supplies and manufacturing materials under Paragraph (3) of this clause, and the contract price of the work not terminated;

(c) Absent complete agreement under Subparagraph (b) of this Paragraph, the Procurement Officer shall pay the contractor the following amounts, provided payments agreed to under Subparagraph (b) shall not duplicate payments under this Subparagraph:

(i) contract prices for supplies or services accepted under the contract;

(ii) costs reasonably incurred in performing the terminated portion of the work less amounts paid or to be paid for accepted supplies or services;

(iii) reasonable costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to Paragraph (2) of this clause. These costs must not include costs paid in accordance with Subparagraph (c)(ii) of this paragraph;

(iv) any other reasonable costs that have resulted from the termination. The total sum to be paid the contractor under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the contractor reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Contractor must demonstrate any costs claimed, agreed to, or established under Subparagraphs (b) and (c) of this Paragraph using its standard record keeping system, provided such system is consistent with any applicable Generally Accepted Accounting Principles.

(5) Contractor's failure to include an appropriate termination for convenience clause in any subcontract shall not (i) affect the state's right to require the termination of a subcontract, or (ii) increase the obligation of the state beyond what it would have been if the subcontract had contained an appropriate clause. [07-7B265-1]

7.53 HIPAA COMPLIANCE/CONFIDENTIALITY

Health Insurance Portability and Accountability Act (HIPAA) Standards Compliance
The Contractor agrees that it shall deliver systems and services that are compliant with Title II, Subtitle F, Section 261-264 of the Health Insurance Portability and Accountability Act of 1996 (HIPAA), Public Law 104-191, titled "Administrative Simplification" and the rules and regulations promulgated thereunder. In addition, the contractor will ensure compliance with all HIPAA requirements across all systems and services related to this contract, including transaction, common identifier, and privacy and security standards, by the effective date of those rules and regulations. The Contractor will comply with the rules and regulations, and will implement these rules and regulations so as to achieve consistency in data collection, validation, storage, retrieval, and consolidation with all the Department's programs.

HIPAA Security
The Contractor shall comply with all HIPAA data security requirements that may be necessary during the term of this contract.

HIPAA Business Associate
Individually identifiable health information is to be protected in accordance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA). By signing your offer, you certify that you will comply with the applicable requirements of the HIPAA Business Associate Agreement, Attachment B.

7.54 SAFEGUARDING INFORMATION

The Contractor must safeguard the use and disclosure of information concerning applicants for or recipients of Title XIX in accordance with 42 CFR §2.1, et seq., and 42 CFR Part 431 Subpart F (2013, as amended), SCDHHS' regulation 10 S.C. Code of State Regs. §§ 126-170 et seq. (2012, as amended), and all other applicable state and federal laws and regulations and should restrict access to, and use and disclosure of, such information in compliance with said laws and regulations.

All Protected Health Information stored on portable devices must be encrypted. Portable devices include all transportable devices that perform computing or data storage, manipulation or transmission including, but not limited to, diskettes, CDs, DVDs, USB flash drives, laptops, PDAs, Blackberrys, cell phones, portable audio/video devices (such as iPODs, and MP3 and MP4 players), and personal organizers.

7.55 LAWSUIT NOTIFICATION AND COOPERATION

The Contractor shall notify the SCDHHS of any class action lawsuits asserted or brought against the Contractor, which are pending or known to the Contractor as of the date of submission of the proposal as well as any asserted or brought against the Contractor after the date of submission of the proposal and prior to the termination of the contract. The Contractor also agrees to cooperate with the SCDHHS and provide data, information, and documentation necessary to pursue litigation filed by or on behalf of the SCDHHS against any party other than the Contractor.

7.56 DEBARMENT NON-PROCUREMENT/SCREENING REQUIRMENTS

The Contractor agrees to comply with all applicable provisions of 2 CFR Part 180 (2014, as amended) as supplemented by 2 CFR Part 376 (2014, as amended), pertaining to debarment and/or suspension and to require its subcontractors to comply with these same provisions to ensure that no party receiving funds from this Contract are listed on the government-wide exclusions in the System for Award Management (SAM).

7.57 CONTRACTOR KEY PERSONNEL

The Contractor in the performance of the contract shall provide the individuals designated in its proposal. No diversion shall be made by the Contractor without the written consent of the State. Replacement of any personnel shall be with personnel of substantially equal ability and qualifications.

Any person employed by the Contractor shall, at the written request of SCDHHS, be removed from the Contract within a reasonable time by the Contractor (not to exceed thirty (30) calendar days). In the event that an employee of the Contractor is removed from the Contract pursuant to a request by the State, the Contractor will have thirty (30) calendar days in which to fill the vacancy with another employee of equal ability and qualifications as evidenced by the State's approval.

7.58 NON-DISCLOSURE

All materials and information provided to the contractor in performance of the contract, whether verbal, written, recorded magnetic media, cards or otherwise should be regarded as confidential information and the Contractor agrees to take all necessary steps to safeguard the confidentiality of such materials or information in conformance with Federal and State statutes and regulations, and in particular, in accordance with 42 CFR Part 431, Subpart F (2013, as amended), and SCDHHS' regulations, 10 S.C. Code Ann. Regs. 126-170 (2012), as amended. The Contractor agrees not to release any information provided by the State or any information generated by the Contractor without the express written consent of the State and further agrees not to use the data or materials for any other purpose other than its performance for the State under this contract.

The Contractor further agrees to have any of its employees, agents, or representatives who may be required to work with such data in the performance of the Contractor's work for the State individually educated about and responsible for compliance with the confidentiality standards, including any personal screening of its personnel by the State for security purposes and to execute

upon request a non-disclosure agreement in favor of the State and/or the United States Department of Health and Human Services.

7.59 RESTRICTIONS FOR LOBBYING

In accordance with 31 U.S.C. 1352, funds received under this contract may not be expended to pay any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with any of the following covered Federal actions: the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement. This restriction is applicable to all subcontractors and should be included in all subcontracts.

7.60 SAFETY PRECAUTIONS

The State and U.S. Department of Health and Human Services assume no responsibility with respect to accidents, illness, or claims arising out of any work undertaken with the assistance of funds paid under the contract. The Contractor should take necessary steps to insure or protect itself and its personnel.

7.61 USE AND OWNERSHIP OF INFORMATION AND DOCUMENTATION

Reproduction of Documentation
All documentation (hardcopy and electronic media) and printed materials provided by the Contractor to the State, other than those materials produced pursuant to this contract, may be reproduced by the State, provided that such reproduction is made solely for the internal use of employees of the State and further provided that no charge is made to anyone for such reproduction except where provided for by law, such as the Freedom of Information Act (FOIA), or as required by auditors.

Document Inspection and Retention
During normal business hours, the U.S. DHHS, the Comptroller General, the Office of the Attorney General, South Carolina Budget and Control Board, the South Carolina State Auditor, the SCDHHS staff, through any authorized representative(s), shall have the right at all reasonable times to enter into the Contractor's premises, or other such places where duties under the contract are being performed, to inspect, monitor, assess, audit, or otherwise evaluate the work performed or being performed under this contract. They should have the right to audit, examine and make copies, excerpts or transcripts from all records unless otherwise precluded by federal or State law; contact and conduct private interviews with Contractor employees and do on-site reviews of all matters relating to this contract. This provision is applicable to any subcontractor and should be included in any subcontracts. If any inspection or evaluation is made on the premises of the Contractor, or subcontractor, the Contractor should provide and should require its subcontractors to provide all reasonable facilities and assistance for the safety and convenience of the authorized representatives in the performance of their duties. All such inspections and evaluations should be performed in such a manner that will not unreasonably delay work. Any subcontract permitted by

the State should contain a provision that sets forth the subcontractor's agreement with the terms set forth in this section.

The Contractor should maintain an accounting system with the supporting fiscal records adequate to assure that all claims for funds are in accordance with the contract and all applicable laws, regulations and policies, both State and Federal. The Contractor should assure that all Contractor and subcontractor books, documents, papers, accounting records, or other evidence pertaining to costs incurred under this contract will be maintained for a period of at least five (5) years after the final payment under this contract and that SCDHHS, the Office of the Attorney General, the South Carolina State Auditor, the U.S. Department of Health and Human Services (DHHS) and the Comptroller General of the United States or any of their duly authorized representatives should have access to any such books for the purpose of making audits, examinations, excerpts, and transcripts for no less than five (5) years after the date of final payment under this contract or a resolution of audit findings, whichever is later.

The Contractor agrees to retain all financial records and programmatic records, supporting documents, and statistical records for a period of five (5) years after the last payment is made under the contract including any amendments and/or extensions to the contract. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the five (5) year period, the records should be retained until the completion of the action and resolution of all issues which arise from it, or until the end of the regular five year period, whichever is later. This provision is applicable to any subcontractor and should be included in any subcontracts.

Ownership of Data
All property rights, including software, data, and other records entered into any data base of the State or supplied to the Contractor, publication rights in the interim, draft, and final reports and other documentation (hardcopy and electronic media) produced by the Contractor in connection with the work provided for under this contract, should rest with the U.S. DHHS and the State.

"Data" should mean all results, technical information and materials developed and/or obtained in the performance of the services hereunder including but not limited to, all reports, surveys, plans, charts, test data, program documentation, recordings (sound and/or video), pictures, drawings, analyses, graphic representations, printouts, notes and memoranda, and documents whether finished or unfinished, which result from or are prepared in connection with the services performed hereunder.

The State has the right to all working papers, reports, charts, programs, and other material during the course of this RFP.

All documents, reports, manuals, and other data prepared during and/or resulting from the performance of services under this contract should include the following statement: "The preparation of this (report or document, and so forth) was financed under an agreement with SCDHHS with funds provided in part by the U.S. Department of Health and Human Services."

The Contractor may not publish or copyright any data without prior approval, unless otherwise stated herein. The State and the Federal Government should have the right to publish, duplicate, use and disclose all such data in any manner, and for any purpose whatsoever, and may authorize others to do so.

7.62 NO CONTRACTOR UTILIZATION OF WORKERS OUTSIDE OF THE UNITED STATES

Neither Contractor nor any of its subcontractors may use workers located outside of the United States of America or its territories to perform Contractor's duties under the Contract.

7.63 APPLICABLE LAWS AND REGULATIONS

The Contractor agrees to comply with all applicable federal laws and regulations including constitutional provisions regarding due process and equal protection of the laws and including, but not limited to:

(i)   All applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970, as amended (42 U.S.C. §7401, et. seq.) and the Federal Water Pollution Control Act, as amended (33 U.S.C. §1251, et seq.).
.
(ii)   Title VI of the Civil Rights Act of 1964 as amended (42 U.S.C. §2000d et. seq.) and regulations issued pursuant thereto, (45 CFR Part 80), 2013 as amended, which provide that the Contractor must take adequate steps to ensure that persons with limited English skills receive free of charge the language assistance necessary to afford them meaningful and equal access to the benefits and services provided under this solicitation.

(iii)   Title VII of the Civil Rights Act of 1964, as amended (42 U.S.C. §2000e) in regard to employees or applicants for employment.

(iv)   Section 504 of the Rehabilitation Act of 1973, as amended, (29 U.S.C. §794), which prohibits discrimination on the basis of handicap in programs and activities receiving or benefiting from federal financial assistance, and regulations issued pursuant thereto (45 CFR Part 84, 2013, as amended).

(v)   The Age Discrimination Act of 1975, as amended, (42 U.S.C. §6101 et. seq.), which prohibits discrimination on the basis of age in programs or activities receiving or benefiting from federal financial assistance.

(vi)   The Omnibus Budget Reconciliation Act of 1981, as amended P.L. 97-35, which prohibits discrimination on the basis of sex and religion in programs and activities receiving or benefiting from federal financial assistance.

(vii)   The Americans with Disabilities Act, (42 U.S.C. §12101 et. seq.), and regulations issued pursuant thereto.

(viii) Title IX of the Education Amendments of 1972, (20 U.S.C. § 1681 et. seq.).

(ix)   The Hatch Act, as amended, (5 U.S.C. § 1501-1508), and regulations issued pursuant thereto.

(x)   Section 6002 of the Solid Waste Disposal Act of 1965 as amended by the Resource Conservation and Recovery Act of 1976 (42 U.S.C. §6962).

7.64 PERFORMANCE AND PAYMENT BOND REQUIREMENTS

Within ten (10) calendar days after written notice of award, the Contractor shall furnish performance and payment bonds. The Contractor shall provide and pay the cost of the performance and payment bonds and shall use the forms entitled "Performance Bond for Other Than Construction Contracts" and "Payment Bond for Other Than Construction Contracts" respectively. The performance and payment bonds shall be issued by a surety company licensed in South Carolina and with an "A" minimum rating of performance as stated in the most current publication of "Best's Key Rating Guide, Property Liability" which should show a financial strength of at least five (5) times the bond amounts. Both bonds should be accompanied by a "Power of Attorney" authorizing the attorney-in-fact to bind the surety and certified to include the dates of the performance and payment bonds.

The performance and payment bonds shall each be equivalent to 10% of at least the fixed price of the three-year initial contract term and shall obligate the Contractor and Surety to SCDHHS in the amounts specified in the performance and payment bonds. (If the contract is extended for the option years, the performance and payment bonds for those terms shall each be equivalent to 10% of at least the fixed price of each option term.) The bonds may be in the form of a cashier's check, a certified check, or a surety bond. The Contractor may provide an Irrevocable Letter of Credit in lieu of performance and payment bonds. The bonds shall specifically refer to this contract and shall bind the surety to all of the terms and conditions of this contract, whether or not the particular term or condition is performed by the Contractor or any particular subcontractor.   The bonds may be renewed annually at the same amount as the initial bonds so long as the bonds are in effect each year of the initial contract term.   Any costs associated with annual renewal of the performance and payment bonds will be the responsibility of the Contractor.

Any change in work, extension of time, or termination of this contract, if any, made pursuant to this contract, shall in no way release the Contractor or any of its sureties from any of their obligations. Such bonds shall contain a waiver of notice of any changes to this contract.

In the event of any condition of breach attributable to the Contractor, SCDHHS shall have the right to draw against the bonds such sums as are necessary to make SCDHHS whole, to secure and compensate SCDHHS for substituted services or other forms of relief made necessary by the breach.

Prior to the acceptance of the performance and payment bonds, SCDHHS reserves the right to review the bonds and require the Contractor to substitute an acceptable bond in such form as SCDHHS may require. Notwithstanding any other provisions relating to the beginning of the term, this contract will not become effective until the performance and payment bonds required by this contract are delivered in the correct forms and amounts to SCDHHS.

Nothing herein should be construed to mean that the performance and payment bonds provided for in this section are exclusive or constitute any limitation or restriction on any or all remedies to which SCDHHS may be entitled.

8   BIDDING SCHEDULE / PRICE-BUSINESS PROPOSAL

8.1   PRICE PROPOSAL (JAN 2006)

Notwithstanding any other instructions herein, you shall submit the following price information as a separate document. [08-8015-1]

8.2   Cost Proposal Instructions

- The Offeror's Cost Proposal, and all copies, shall be bound separately from its Technical Proposal for both hard copies and CD/DVD versions.
- The pricing tables submitted in Proposal Section F2 shall not be marked confidential, and nothing contained in these pricing tables shall be considered a trade secret.

8.3   Proposal Section F – Pricing Tables

Subsection	Title	Page Limits
Section F	Pricing Tables	Not applicable. Offerors must use the State-provided Excel tables

Table 6.7-1. Proposal Section F Subsections

This Proposal section shall consist only of the completed pricing tables with no additional explanatory text or diagrams. The Offeror must use the State-provided Excel spreadsheet for the pricing tables; however, it may use worksheet protection to minimize the risk of inadvertent changes, if so desired. The State requests that the formulas not be removed as these assist in quality control of Cost Proposals. Notwithstanding the State-entered formulas, each Offeror is responsible for the accuracy of its Cost Proposal. If formulas are changed to correct any perceived errors, those formulas must remain in the submitted pricing tables.

8.4   Pricing Table Background

8.4.1   *Color Coding on Pricing Tables*

To assist Offerors, the State has color-coded the cells in the pricing tables Excel spreadsheet. This color coding was performed as a guide, but in the case of color errors, each Offeror is responsible for ensuring that its Proposal conforms to RFP requirements and is internally consistent.

- Blue cells indicate information pre-entered by the State.
- Green cells indicate information that must be entered by the Offeror in order to complete the pricing table.
- White cells indicate calculations performed using State-entered and/or Offeror-entered information.

8.4.2 *Contract Months and Contract Years*

The pricing tables also require certain entries in Contract Months or Contract Years. The first month of the Contract Term is considered Contract Month 1 in Contract Year 1. Contract Months shall correspond with calendar months, with the first Contract Month rounded to the nearest month by using the formula that any date beyond the 15th of the month rounds to the next month. For example, if the Contract Effective Date is January 15th, then January is Contract Month 1 and Contract Month 2 will begin on February 1st. If the Effective Date is January 16th, then February is Contract Month 1 and Contract Month 2 will begin March 1st. Unless the Effective Date is the 1st of a month, by rounding there will be one more calendar month in the contract than the term. In the first example above and assuming a 12-month contract term, the contract would run from January 15th until January 14th of the succeeding year, covering 13 separate calendar months. When this extra calendar month occurs, rates entered in the pricing tables for the nearest month will apply. Table 6.8-1 below is used to clarify calendar and Contract Months.

Janaury 15, 2016 Effective Date				Janaury 16, 2016 Effective Date			
Contract Month	**Calendar Month**	**Bid Rate**	**Applicable Rate**	**Contract Month**	**Calendar Month**	**Bid Rate**	**Applicable Rate**
0	N/A			0	Jan-16		12.10
1	Jan-16	12.10	12.10	1	Feb-16	12.10	12.10
2	Feb-16	14.30	14.30	2	Mar-16	14.30	14.30
3	Mar-16	16.50	16.50	3	Apr-16	16.50	16.50
4	Apr-16	18.70	18.70	4	May-16	18.70	18.70
5	May-16	20.90	20.90	5	Jun-16	20.90	20.90
6	Jun-16	23.10	23.10	6	Jul-16	23.10	23.10
7	Jul-16	25.30	25.30	7	Aug-16	25.30	25.30
8	Aug-16	27.50	27.50	8	Sep-16	27.50	27.50
9	Sep-16	29.70	29.70	9	Oct-16	29.70	29.70
10	Oct-16	31.90	31.90	10	Nov-16	31.90	31.90
11	Nov-16	34.10	34.10	11	Dec-16	34.10	34.10
12	Dec-16	36.30	36.30	12	Jan-17	36.30	36.30
13	Jan-17		36.30	13	N/A		

Table 6.8-1. Contract Months

8.4.3 *Including All Work in Pricing Tables*

The prices in the pricing tables must be inclusive of all Work to be performed by the Contractor. Direct support and overhead tasks must be allocated to appropriate pricing tables. For example, help desk costs associated with answering user questions should be allocated to the Operations Phase prices.

8.4.4 *Prices and Costs*

Not-to-Exceed Contract Price

The Not-to-Exceed Contract Price will be the sum of the total cost on all Pricing Tables.

Total Enterprise Cost of Ownership

Establishing comparable prices on a fixed duration contract where the Offerors propose their own implementation schedules is challenging because the financial "burn rate" during implementation differs from that during operations. To help correct for this bias and to incentivize efficient schedules, SCDHHS is using Total Enterprise Cost for the purposes of scoring Proposals. The Total Enterprise Cost of Ownership incorporates the Offeror's proposed prices and adds the Modification Pool price and the estimated costs of operating the BIS project within the Department. The State shall use $5,000 per calendar day and $150,000 per calendar month as its estimated BIS project operating costs.

8.4.5 *Pricing Table Instructions*

List of Pricing Tables

- The purpose of this list is to identify all of the pricing tables. This table is for informational purposes only.

Pricing Table A – Implementation Phase Prices

The purpose of Pricing Table A is to obtain the Offeror's proposed price for the Implementation Phase.
- The Offeror shall enter its name in the cell identified for that purpose. This entry should be automatically propagated across all pricing tables.
- The Offeror shall enter the Contract Month in which system and business operations will begin in the cell identified for that purpose. For calculations on the pricing tables, only whole months are used. For example, if the Offeror enters a "14" into this cell, the spreadsheet calculations will assume that implementation activities occurring up to the Targeted Fully Operational Start Date will take thirteen full months and that operations will be initiated at the start of the fourteenth month. The Offeror should round this entry to the nearest whole month based on its Project Schedule.
- For each Milestone (a maximum of 36 Payment Milestones may be listed), the Offeror shall enter:
    - the Payment Milestone number.
    - the Milestone name.
    - an asterisk if the Milestone is one of two Major Milestones see RFP 3.5.1).
    - the Contract Month in which the Milestone is planned to occur. A payment milestone is not required for each month, and a month may have more than one payment milestone.

- In addition, the Offeror shall enter its Total Fixed Price for that Milestone, for the Implementation Phase in the cell designated for this information.
- The State has pre-entered formulas to automatically calculate the following components of this table:
  - Calculating the Contract Month by which the CMS System Certification Milestone will be complete. This is done by adding 12 months to the Contract Month in which the Targeted Operational Start Date occurs.
  - Calculating the percentage of the total Implementation Phase price that is represented by each Milestone. This is done using the price for each Milestone, while reserving 10% for the Actual Operational Start Date Milestone and 5% for the CMS System Certification Milestone. The calculation is double-checked by summing the percentages for all Milestones (should equal 100%).
  - Calculating the Certification Withhold for each Milestone by multiplying the Milestone Fixed Price by 5%
  - Calculating the Milestone Payment Amount by subtracting the Certification Withhold from the Milestone Fixed Price

The Offeror is required to ensure that the prices entered and the formulas and calculations used in this table are accurate and consistent with the other tables in the Cost Proposal. The Total Implementation Phase price will be used in scoring Cost.

Pricing Table B – Hardware/Software Prices

The purpose of Pricing Table B is to obtain the Not-to-Exceed (NTE) prices for hardware and/or software licenses required to be purchased by SCDHHS for the BIS. SCDHHS does not anticipate the need to purchase hardware or software to utilize the Offeror's solution; however, if that is a requirement, Pricing Table B is where those costs shall be recorded.
- The Offeror shall ensure that its name is entered in the cell designated for this information near the top of the pricing table.
- The Offeror shall provide an itemized list of software needed to operate all required system environments (including the disaster recovery environments). For each software item the State is required to purchase, the Offeror shall enter:
  - Manufacturer – this is the manufacturer of the hardware/software item. If the manufacturer is a subsidiary of the Offeror or if any other relationship exists such that the Offeror deems that it owns the Intellectual Property rights to the software, identify that relationship here.
  - Item Description – this is a brief description of the item along with the manufacturer's nomenclature for the hardware/software item.
  - IP Category and Licensing Model – this identifies in which intellectual property category the software falls (State Material, Proprietary Contractor Material, Widely Used COTS Software, Limited Use COTS Software, Proprietary Third Party Material, Public Material, Open Source Software), and whether the software is licensed by server, central processing unit (CPU), client, concurrent connection, unlimited, or any other method.

- o Maintenance Approach – this identifies the maintenance method for this hardware/software item. For items having multiple maintenance options, this item should indicate the Offeror's recommended maintenance approach.
  - o Quantity – this identifies the quantity of the hardware/software items to be procured.
  - o Month Required – this is the Contract Month (1-60) in which the hardware/software item must be acquired and in place. This date must account for any additional time needed to configure and integrate the hardware item and any related software after procurement.
  - o Notes – this identifies any other information that the State would need to understand the hardware/software item or properly estimate its cost.
  - o Unit Price – this numeric value identifies the NTE unit price of the software.
  - o Required Maintenance – If the State must purchase maintenance on the hardware/software during the term of the Contract, the Offeror must enter the estimated maintenance price the State must paid during the term of the Contact; assuming a sixty (60) month term.
- The State has pre-entered formulas to automatically calculate the following components of this table:
  - o Calculating the NTE Price by multiplying the Quantity by Unit Price for each hardware/software item and adding the product to the Required Maintenance price.
  - o Calculating the Total NTE Price by summing the NTE Price for each item.

The Offeror is required to ensure that the prices entered and the formulas and calculations used in this table are accurate and consistent with the other tables in the Cost Proposal. The Total NTE will be used in scoring Cost.

Pricing Table C – Labor Rates – Implementation Phase

The purpose of Pricing Table C is to obtain the Offeror's proposed labor rates for each Labor Category included in Proposal Section C4 that are relevant to the Implementation Phase. These labor rates will assist the Parties in negotiating Change Orders and Work assigned from the Modification Pool.

- The Offeror shall ensure that its name is entered in the cell designated for this information near the top of the pricing table.
- For each Labor Category included in Proposal Section C4 that is relevant to Implementation Phase activities, the Offeror shall enter:
  - o The Labor Category name from Proposal Section C4.
  - o The percentage of use the Offeror expects that Labor Category to perform for Implementation Phase modifications. The sum of Labor Categories must equal 100%.
  - o The hourly labor rate for each Labor Category for each Contract year.
- The State has pre-entered formulas to automatically calculate the following components of this table:
  - o Calculating the Total Percentage of Use (it must equal 100%)

- Calculating the Blended Labor Rate for each contract year by summing each labor category Percentage of Use times Labor Rate
- Calculating the Two Year Average Blended Rate by adding the Contract Year 1 and Contract Year 2 Annual Blended Rates and dividing the sum by two
- Calculating the Evaluation Price by multiplying the Two Year Average Blended Rate by 5,000 hours

The Offeror is required to ensure that the prices entered and the formulas and calculations used in this table are accurate and consistent with the other tables in the Cost Proposal. The Two Year Average Blended Rate will be used in scoring Cost by multiplying the calculated rate by 5,000 hours in computing the Total Enterprise Cost of Ownership.

Pricing Table D – Labor Rates – Operations Phase

The purpose of Pricing Table D is to obtain the Offeror's proposed labor rates for each labor category included in Proposal Section C4 that are relevant to the Operations Phase. These labor rates will assist the Parties in negotiating Change Orders and Work assigned from the Modification Pool. For information concerning onsite and offsite labor rates, please see Exhibit A in Section 8.1.

- The Offeror shall ensure that its name is entered in the cell designated for this information near the top of the pricing table.
- For each Labor Category included in Proposal Section C4 that is relevant to Operations Phase activities, the Offeror shall enter:
  - The labor category name from Proposal Section C4.
  - The percentage of use the Offeror expects that labor category perform for Operations Phase modifications. The sum of labor categories must equal 100%.
  - The hourly labor rate for each labor category for each Contract year.
- The State has pre-entered formulas to automatically calculate the following components of this table:
  - Calculating the Total Percentage of Use (it must equal 100%)
  - Calculating the Blended Labor Rate for each contract year by summing each labor category Percentage of Use times Labor Rate
  - Calculating the Five Year Average Blended Rate by adding the Annual Blended Rates and dividing the sum by five
  - Calculating the Evaluation Price by multiplying the Five Year Average Blended Rate by 12,500 hours

The Offeror is required to ensure that the prices entered and the formulas and calculations used in this table are accurate and consistent with the other tables in the Cost Proposal. The Five Year Average Blended Rate will be used in scoring Cost by multiplying the calculated rate by 12,500 hours and used in computing the Total Enterprise Cost of Ownership (TECO).

Pricing Table E – Modification Pools

This table is for informational purposes only. All contracts will have a $1,000,000 modification budget during the Implementation Phase and $2,500,000 during the Operations Phase. If modifications occur during the Turnover Phase or for Turnover activities, the budget will come from the Operations Phase Modification Pool and will utilize labor rates from Pricing Table D.

Pricing Table F – Operations Phase

The purpose of Pricing Table F is to obtain the Offeror's proposed fixed prices for all operations activities described in this RFP which include among others data warehouse loading, storage and retrieval services, reporting, help desk and training. T-MSIS prices are requested separately from all non-TMSIS operations prices.

- The Offeror shall ensure that its name and month in which operations will begin are entered in the cells designated for this information near the top of the pricing table.

- For each Contract Month that operational services will be provided:
    - The Offeror shall enter the fixed price for all operational services excluding Consulting Services (see Pricing Table G) and T-MSIS in the Monthly Fixed Price without T-MSIS column.
    - The Offeror shall enter the fixed price for T-MSIS operational services in the Monthly Fixed Price for T-MSIS column.
- The State has pre-entered formulas to automatically calculate the following components of this table:
    - Calculating the Total Monthly Fixed Price Operations by summing the T-MSIS and without T-MSIS columns for each month
    - Calculating the Total Fixed Price for operational services by summing each monthly entry
    - Calculating the Average Monthly Price by dividing the Total Pricing by the number of operational months
    - Calculating the Evaluation Operation Price for by multiplying the total monthly average price by 48 months

The Offeror is required to ensure that the prices entered and the formulas and calculations used in this table are accurate and consistent with the other tables in the Cost Proposal. The Evaluation Operations Price will be used in Cost scoring.

Pricing Table G – Consulting Services

The purpose of Pricing Table G is to obtain the Offeror's proposed estimated prices for consulting services activities described in this RFP. Consulting Services will be invoiced on a time-and-material basis. This table estimates what the time-and-material will be.
- The Offeror shall ensure that its name and the month in which operations will begin are entered in the cells designated for this information near the top of the pricing table.

- For each Contract Month that operational services will be provided, the Offeror shall enter the sum of the hourly rates for the three staff that will be providing consulting services. The labor categories and rates must correspond with those listed in Pricing Table D – Labor Rates – Operations and Turnover Phases.
- The Offeror shall enter the three Labor Categories used in the Consulting Pricing table in the space provided below the pricing table.
- The State has pre-entered formulas to automatically calculate the following components of this table:
  - Calculating the Estimated Monthly Price by multiplying Monthly Rates by 160 hours
  - Calculating the Total Price by summing each Estimated Monthly Price
  - Calculating the Average Monthly Price by dividing the Total Pricing by the number of operational months
  - Calculating the Evaluation Price by multiplying the total monthly average price by 48 months

The Offeror is required to ensure that the prices entered and the formulas and calculations used in this table are accurate and consistent with the other tables in the Cost Proposal. The Evaluation Purposes Only – Monthly Average Price x 48 Months will be used in Cost scoring.

Pricing Table H – Turnover Phase

The purpose of Pricing Table H is to obtain the Offeror's proposed price for the Turnover Phase.
- The Offeror shall ensure that its name is entered in the cell designated for this information.
- For each Milestone/Deliverable, the Offeror shall enter:
  - The Milestone/Deliverable Number
  - The Milestone/Deliverable name
  - The fixed price to be paid when the Milestone/Deliverable is accepted
  - The Contract Month in which the Milestone/Deliverable is planned to occur
- The State has pre-entered formulas to automatically calculate the following components of this table:
  - Calculating the Turnover Phase fixed price. This is done by summing the Offeror-entered price per Milestone/Deliverable.

The Offeror is required to ensure that the prices entered and the formulas and calculations used in this table are accurate and consistent with the other tables in the Cost Proposal. The Total price will be used in Cost scoring.

Pricing Table I – Total Enterprise Cost of Ownership

The purpose of Pricing Table I is to compute the Contract Not-to-Exceed amount and the Total Enterprise Cost of Ownership.

- The Offeror shall ensure that its name is entered in the cell designated for this information near the top of the pricing table.
- The State has pre-entered formulas to automatically calculate the following components of this table:
  - Calculating the Contract Not-to-Exceed Price. This is done by summing the total prices from the other pricing tables.
  - Calculating the Enterprise Cost of Ownership. This is done by adding the total prices from the other pricing tables, except for:
    - the Modification Pool, which is calculated by multiplying the Two Year Average Blended Rate from Table C by 5,000 hours and adding that product to the product of multiplying the Five Year Average Blended Rate from Table D by 12,500 hours.
    - The Operations TECO costs, which are calculated by multiplying the Average Monthly Price from Pricing Table F by 48 months.
    - The State's Cost to Maintain the Project, which is calculated by multiplying the project burn rate of $150,000 per month by the Offeror-proposed number of Implementation Phase months.
    - The Total Enterprise Cost of Ownership is calculated by summing the Enterprise of Ownership for each pricing table and the Cost to Maintain State's Project.

The Offeror is required to ensure that the prices entered and the formulas and calculations used in this table are accurate and consistent with the other tables in the Cost Proposal. The total Enterprise Cost of Ownership will be used to score Cost.

8.5   Exhibit A. Invoicing and Payment

8.5.1   *Invoices Generally*

Regardless of the phase, the Contractor shall invoice the Department no more than once monthly. Each invoice shall include all charges accrued during the immediately preceding month, even if the invoice covers payments for multiple items. The Contractor shall submit documentation with the invoice to include the following:

- Reporting to meet Department cost allocation requirements;
- Clear allocation of invoiced Modification Pool Work by month of performance to ensure that the correct contract year rates are applied;
- The purchase order identifier authorizing each of the items for which the Contractor is requesting payment; and
- As directed by the Department from time to time, accountings by activity or paying entity.

Any invoiced Service shall be supported by sufficient documentation to enable the Contractor to establish the basis for the invoiced amount and charges. Such documentation shall be available to the Department for audit and verification and shall be retained by the Contractor in accordance with that Section. Each invoice shall separately identify the Contract activity to which each charge

pertains. Invoiced hourly personnel charges shall indicate hours worked by the individual's name, labor category and by activity. The invoice shall list, and the net invoice amount shall reflect, all credits to the Department that may have accrued during the period covered by the invoice.

8.5.2   *Labor Hours Rates*

Any Work contracted and performed on a labor hours basis will use fixed labor rates established in the Contractor's Proposal. Hourly rates include:

- Labor performed by the Contractor;
- Labor performed by Subcontractors;
- Labor transferred between divisions, subsidiaries, or affiliates of the Contractor under common control;
- Shall be all-inclusive of wages; overhead; travel expenses; property, plant, and equipment owned or leased by the Contractor or its Subcontractors; general and administrative expenses; and profit. The Department shall not pay separately for these costs. Offerors shall not assume separate payment in their Cost Proposals.

Indirect labor and contract administrative labor shall not be invoiced to the Contract. Those costs should be included in the Contractor's Pricing Tables.

The Department will not reimburse the Contractor or its personnel for commuting costs of Contractor personnel from their homes, lodging, or Contractor work sites to State or State-directed locations or between State locations.

If the Contractor needs to add labor categories at any time during the Term of the Contract, it shall request the change in writing and justify the purpose of the labor category as well as the derivation of the labor rate to be used. The Contractor shall not invoice the Department for any labor using the new category prior to receiving written approval from the Department.

8.5.3   *Invoicing for Fixed Price Work*

The Contractor shall invoice the Department monthly for payment associated with the fixed price Work at the applicable amounts set forth in the Contractor's Proposal. The Contractor shall invoice the Department for Implementation Phase Milestones after they have been accepted by the Department.

8.5.4 *Invoicing for the Turnover Phase*

The Contractor shall invoice the Department for completed Milestones after they are accepted by the Department.

8.5.5 *Travel Expenses*

The Department does not anticipate reimbursing the Contractor for travel expenses other than for unforeseen circumstances. Should the Department authorize reimbursable travel, the Contractor shall invoice the Department for any authorized travel expenses in the month after the month in

which such authorized travel occurred. Contractor will be reimbursed only for actual reasonable travel expenses authorized in advance by the Department in writing. All requests for travel shall be submitted to the Department in writing and shall include sufficient documentation to enable the Department to determine whether such travel will be authorized. No travel expenses shall be incurred prior to Department written authorization for such travel. All authorized travel expenses are separate from the Contract prices. Invoices for authorized travel shall include full documentation of the travel and shall include the Department's written authorization. Travel expense shall be in accordance with, and not exceed, the published State travel guidelines, which will be made available to Contractor upon request.

No additional markup for overhead or profit shall be made.

9   ATTACHMENTS & EXHIBITS

List of Attachments

Attachment A. NON-RESIDENT TAXPAYER REGISTRATION AFFIDAVIT INCOME TAX WITHOLDING

Attachment B. HIPAA Business Associate Agreement

Attachment C. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

Attachment D. CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

Attachment E. DRUG-FREE WORKPLACE ACT CERTIFICATION STATEMENT

Attachment F. MINORITY BUSINESS CERTIFICATION STATEMENT

Attachment G. Disclosure and Control Interest Statement

Attachment H. Organizational Conflict of Interest Disclosure

Attachment I. Contract Data Requirements List

Attachment J. Corporate Experience Table

Attachment K. Service Provider Security Assessment Questionnaire

Attachment L. South Carolina Standard Amendment to End User License Agreements for Commercial Off-The-Shelf Software – Single Agency

Attachment M. Software Table

Attachment N. Detailed Requirements

Attachment O. Performance-Based Requirements Table

Attachment P. Required Contractor-Generated Reports

List of Exhibits

Exhibit A – Invoicing and Payment

Attachment A. NON-RESIDENT TAXPAYER REGISTRATION AFFIDAVIT INCOME TAX WITHOLDING

STATE OF SOUTH CAROLINA
DEPARTMENT OF REVENUE
NONRESIDENT TAXPAYER REGISTRATION
AFFIDAVIT INCOME TAX WITHHOLDING

I-312
(Rev. 4/27/10)
3323

Mail to: The company or individual you are contracting with.

The undersigned nonresident taxpayer on oath, being first duly sworn, hereby certifies as follows:

1. Name of Nonresident Taxpayer: _____

2. Trade Name, if applicable (doing business as): _____

_____

3. Mailing Address: _____

4. Federal Employer Identification Number (FEIN): _____

5. _____ Hiring or Contracting with:
   Name: _____

   Address: _____

   _____ Receiving Rentals or Royalties From:
   Name: _____

   Address: _____

   _____ Beneficiary of Trusts and Estates:
   Name: _____

   Address: _____

6. I hereby certify that the above named nonresident taxpayer is currently registered with (check the appropriate box):
   ☐ The South Carolina Secretary of State or
   ☐ The South Carolina Department of Revenue
   Date of Registration: _____

7. I understand that by this registration, the above named nonresident taxpayer has agreed to be subject to the jurisdiction of the South Carolina Department of Revenue and the courts of South Carolina to determine its South Carolina tax liability, including estimated taxes, together with any related interest and penalties.

8. I understand the South Carolina Department of Revenue may revoke the withholding exemption granted under Code Sections 12-8-550 (temporarily doing business or professional services in South Carolina), 12-8-540 (rentals), and 12-8-570 (distributions to nonresident beneficiary by trusts or estates) at any time it determines that the above named nonresident taxpayer is not cooperating with the Department in the determination of its correct South Carolina tax liability.

The undersigned understands that any false statement contained herein could be punished by fine, imprisonment or both.

Recognizing that I am subject to the criminal penalties under Code Section 12-54-44 (B) (6) (a) (i), I declare that I have examined this affidavit and to the best of my knowledge and belief, it is true, correct and complete.

_____ (Seal) _____
Signature of Nonresident Taxpayer (Owner, Partner or Corporate Officer, when relevant)   Date

If Corporate officer, state title: _____

_____
(Name - Please Print)

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Attachment B. HIPAA Business Associate Agreement

A. Purpose

The South Carolina Department of Health and Human Services (Covered Entity) and Business Associate agree to the terms of this Agreement for the purpose of protecting the privacy of individually identifiable health information under the Health Insurance Portability and Accountability Act of 1996 (HIPAA) in performing the functions, activities, or services for, or on behalf of, Covered Entity as specified in the Contract between the parties.

B. Definitions

General Statement

The following terms used in this Agreement shall have the same meaning as those terms in the HIPAA Rules: Breach, Data Aggregation, Designated Record Set, Disclosure, Health Care Operations, Individual, Minimum Necessary, Notice of Privacy Practices, Protected Health Information, Required by Law, Secretary, Security Incident, Subcontractor, Unsecured Protected Health Information, and Use.

Specific definitions:

(a) Business Associate. "Business Associate" shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this Agreement, shall mean South Carolina State Housing Finance and Development Authority.

(b) Covered Entity. "Covered Entity" shall generally have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this Agreement, shall mean SCDHHS.

(c) HIPAA Rules. "HIPAA Rules" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules at 45 CFR Part 160 and Part 164.

(d) Security incident. "Security incident" shall generally have the same meaning as the term "security incident" at 45 CFR 164.304.

C. Obligations and Activities of Business Associate

Business Associate agrees to:

(a) Not use or disclose protected health information other than as permitted or required by the Agreement or as required by law;

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(b) Use appropriate safeguards, and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information, to prevent use or disclosure of protected health information other than as provided for by the Agreement;

(c) Report to Covered Entity any use or disclosure of protected health information not provided for by the Agreement of which it becomes aware, including breaches of unsecured protected health information as required at 45 CFR 164.410, and any security incident of which it becomes aware;

(d) Notwithstanding the requirements of 45 CFR 164.410, Business Associate shall notify Covered Entity of potential breaches within fifteen (15) calendar days of discovery and include Covered Entity's designee in their breach determination process;

(e) Business Associate shall report security incidents on a quarterly basis, unless the severity of the security incident elevates the risk to a potential breach, in which case paragraph (d) takes precedence;

(f) Unless otherwise directed by Covered Entity, Business Associate shall be responsible for breach notifications to individuals, the HHS Office of Civil Rights (OCR), the South Carolina Department of Consumer Affairs, and the media, if applicable, on behalf of Covered Entity and shall include Covered Entity's designee as part of the breach response team;

(g) In accordance with 45 CFR 164.502(e)(1)(ii) and 164.308(b)(2), if applicable, ensure that any subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the Business Associate with respect to such information;

(h) Make available protected health information in a designated record set to the Covered Entity as necessary to satisfy Covered Entity's obligations under 45 CFR 164.524;

(i) Make any amendment(s) to protected health information in a designated record set as directed or agreed to by the Covered Entity pursuant to 45 CFR 164.526, or take other measures as necessary to satisfy Covered Entity's obligations under 45 CFR 164.526;

(j) Maintain and make available the information required to provide an accounting of disclosures to Covered Entity, or an individual if directed by Covered Entity, as necessary to satisfy Covered Entity's obligations under 45 CFR 164.528;

(k) Notify Covered Entity within five (5) business days of receipt of any request covered under paragraphs (h), (i) or (j) above;

(l) To the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s); and

(m) Make its internal practices, books, and records available to the Secretary for purposes of determining compliance with the HIPAA Rules.

D.   Permitted Uses and Disclosures by Business Associate

(a) Business associate may only use or disclose protected health information as necessary to perform the services set forth in the Contract to which this Agreement is appended, including, if applicable, authorization to use protected health information to de-identify the information in accordance with 45 CFR 164,514(a)-(c);

(b) Business Associate may use or disclose protected health information as required by law;

(c) Business Associate agrees to make uses and disclosures and requests for protected health information consistent with Covered Entity's minimum necessary policies and procedures;

(d) Business Associate may not use or disclose protected health information in a manner that would violate Subpart E of 45 CFR Part 164 if done by Covered Entity;

(e) Business Associate may disclose protected health information for the proper management and administration of Business Associate or to carry out the legal responsibilities of the Business Associate, provided the disclosures are required by law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as required by law or for the purposes for which it was disclosed to the person, and the person notifies Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.

(f) Business Associate may not disclose or duplicate protected health information identified by Covered Entity as provided by the Social Security Administration (SSA) without written approval and permission from SSA. If the need for such disclosure and/or duplication arises, Business Associate must notify Covered Entity and work with Covered Entity to obtain approval and permission from SSA.

E. Term and Termination

(a) <u>Term</u>. The Term of this Agreement shall be effective as of and shall terminate on the effective and termination dates of the Contract to which this Agreement is appended, or on the date Covered Entity terminates for cause as authorized in paragraph (b) of this Section, whichever is sooner;

(b) <u>Termination for Cause</u>. Business Associate authorizes termination of this Agreement by Covered Entity, if Covered Entity determines Business Associate has violated a material term of the Agreement and Business Associate has not cured the breach or ended the violation within thirty (30) calendar days.

(c) <u>Obligations of Business Associate Upon Termination</u>.

(1) Upon termination of this Agreement for any reason, Business Associate shall return to Covered Entity, or, if agreed to by Covered Entity, destroy all protected health information received from Covered Entity, or created, maintained, or received by Business Associate on behalf of Covered Entity that the Business Associate still maintains in any form. Business Associate shall retain no copies of the protected health information;

(2) In the event that Business Associate determine that returning or destroying the protected health information is not practical or possible, Business Associate shall notify Covered Entity of the conditions and reasons return of the protected health information is not practical or possible. Upon concurrence by Covered Entity that return is not practical, Business Associate shall:

(i) Continue to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information to prevent use or disclosure of the protected health information, other than as provided for in this Section, for as long as Business Associate retains the protected health information;

(ii) Not use or disclose the protected health information retained by Business Associate other than for the purposes for which such protected health information was retained and subject to the same conditions set out at Section D of this Appendix.

(3) Business Associate shall obtain or ensure the destruction of protected health information created, received, or maintained by any subcontractors;

(4) Business Associate shall transmit the protected health information to another Business Associate of the Covered Entity at termination, upon receipt of a written request from the Covered Entity.

(d) <u>Survival</u>. The obligations of Business Associate under this Section shall survive the termination of this Agreement.

F.   Miscellaneous

(a) <u>Regulatory References</u>. A reference in this Agreement to a section in the HIPAA Rules means the section as in effect or as amended.

(b) <u>Interpretation</u>. Any ambiguity in this Agreement shall be interpreted to permit compliance with the HIPAA Rules.

Attachment C. Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – Lower Tier Covered Transactions

(To Be Supplied to Lower Tier Participants)

By signing and submitting this lower tier proposal, the prospective lower tier participant, as defined in 45 CFR Part 76, certifies to the best of its knowledge and belief that it and its principals:

a) are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency.

b) where the prospective lower participant is unable to certify to any of the above, such prospective participant shall attach an explanation to this proposal.

The prospective lower tier participant further agrees by submitting this proposal that it will include this clause entitled **Certification Regarding Debarment, Suspension, Ineligibility, and Voluntary Exclusion-Lower Tier Covered Transactions** without modifications in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

_____
Authorized Signature

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Attachment D. CERTIFICATION FOR CONTRACTS, GRANTS, LOANS, AND COOPERATIVE AGREEMENTS

Instructions

The attached form must be completed by all Providers/Contractors who receive $100,000 or more in federal funds through a contractual agreement with the South Carolina Department of Health and Human Services (SCDHHS). The purpose of the attached form is to certify that none of the federal funds received through the contractual agreement will be used for any lobbying activities. This form is required by the Federal Government as a result of 31 U.S.C. 1352. A copy of this form must be completed and returned with all signed contractual agreements exceeding $100,000.

Additionally, should the Provider/Contractor enter into any subcontracts in coordination with the contractual agreement with SCDHHS, the Provider/Contractor is required to have on file a signed copy of this form for any and all subcontracts which exceed the $100,000 level. This requirement extends to all levels of subcontracting and sub-subcontracting.

Should the Provider/Contractor (or any of its Subcontractors/ Sub-subcontractors) use any funds for lobbying activities, an additional form (Standard Form - LLL) will be required. (See #2 on the attached form). It shall be the responsibility of the Provider/Contractor to notify SCDHHS of this activity and to request from SCDHHS a copy of this form for completion and proper filing.

Should there be any questions concerning this form or the Standard Form - LLL, contact should be made with the Division of Contracts at SCDHHS.

CERTIFICATION FOR CONTRACTS, GRANTS, LOANS,
AND COOPERATIVE AGREEMENTS

The undersigned certifies, to the best of his or her knowledge and belief, that

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form - LLL, "Disclosure Form to Report Lobbying" in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed under Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than $10,000 and not more than $100,000.00 for such failure.

SIGNATURE: _____

TITLE: _____

DATE: _____

Attachment E. DRUG-FREE WORKPLACE ACT CERTIFICATION STATEMENT

SECTION 44-107-10 THROUGH SECTION 44-107-90
CODE OF LAWS OF SOUTH CAROLINA, 1976 AS AMENDED

I hereby certify to the South Carolina Department of Health and Human Services (SCDHHS) that I will provide a drug-free workplace by:

1. publishing a statement notifying employees that the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance is prohibited in the person's workplace and specifying the actions that will be taken against employees for violations of the prohibition:
2. establishing a drug-free awareness program to inform employees about:
   a. the dangers of drug abuse in the workplace;
   b. the person's policy of maintaining a drug-free workplace;
   c. any available drug counseling, rehabilitative, and employee assistance programs; and
   d. the penalties that may be imposed upon employees for drug violations.
3. making it a requirement that each employee to be engaged in the performance of the contract be given a copy of the statement required by item 1;
4. notifying the employee in the statement required by item 1, that as a condition of employment on the contract or grant, the employee will;
   a. abide by the terms of the statement; and
   b. notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five days after the conviction.
3. notifying the using agency within ten days after receiving notice under item 4, b from an employee or otherwise receiving actual notice of the conviction
6. imposing a sanction on, or requiring the satisfactory participation in a drug abuse assistance or rehabilitation program by any employee convicted, as required by Section 44-107-50; and
7. making a good faith effort to continue to maintain a drug-free workplace through implementation of items 1,2,3,4,5 and 6.

I also agree that, in compliance with Section 44-107-50, I shall, within thirty days after receiving notice from an employee of a conviction pursuant to this title:

1. take appropriate personnel action against the employee up to and including termination; or
2. require the employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for the purposes by a federal, state, or local health, law enforcement, or other appropriate agency.

_____   _____

Date   Authorized Signature

Revised 1/31/97

Attachment F. MINORITY BUSINESS CERTIFICATION STATEMENT

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
MINORITY BUSINESS FORM

State agencies are required to report the purchase of supplies, equipment and contractual services from minority businesses to the Governor's Office of Small and Minority Business Assistance. To assist the SCDHHS in meeting this requirement, please read this document and provide the requested information.

(ALL RESPONDENTS AND/OR PROVIDERS MUST COMPLETE AND SIGN THIS FORM)

Provider Name:_____

Provider #:_____   **SSN or EIN:**_____

What is the Provider's legal status?

Public_____   Private non-profit _____   Private for profit _____   NA- Individual_____

Eligibility requirements for certification as a Minority Business Enterprise (MBE) are found in 23 S.C. Code Ann. Regs. §19-445.2160 and Title 49, Part 26, of the Code of Federal Regulations (CFR).

Does your organization qualify as a Minority Business Enterprise?

Yes_____   No_____

If yes, do you qualify as:

1. African American Male _____
2. African American Female _____
3. Caucasian Female _____
4. Hispanic _____
5. Department of Transportation (DOT) Certified African American _____
6. DOT Certified Caucasian Female _____
7. Native American _____
8. Small Business Association (SBA) Certified _____
9. Asian Pacific American/Other _____

Is your organization registered with the Governor's Office of Small and Minority Business Assistance?

Yes_____   No_____

If yes, what is your certification and/or vendor number?_____

_____
Authorized Signature

Rev.03/10

Attachment G. Disclosure and Control Interest Statement

INSTRUCTIONS TO APPLICANTS FOR MEDICAID PROVIDER ENROLLMENT
REGARDING REQUIRED DISCLOSURES
Part 1

1. If you are an individual practitioner or in a group of practitioners that is not organized as a business proprietorship, limited liability corporation, partnership, or corporation, whether it be for profit or not for profit, you are not required to complete Part 2 of the Disclosure of Ownership and Control Interest Statement (SCDHHS Form 1514). Please indicate if you are enrolling only as an individual practitioner and are exempt from these disclosure requirements.

☐ Yes   ☐ No

By answering "Yes", you are enrolling as an individual only and therefore exempt from disclosure requirements as required by Part 2 of the Disclosure of Ownership and Control Interest Statement (SCDHHS Form 1514). Please complete all of Part 1. If 'No' is checked, proceed to Part 2.

2. Provide the following information about yourself (individual practitioner only).
   PLEASE NOTE: If you are not required to have a National Provider Identifier (NPI), please indicate "NA" in the NPI Field below.

*Full Name: First	M.I. Last		Suffix	Title (MD, etc.)
*SSN:	*Date of Birth (mm/dd/ccyy): / /			*Gender:
Provider Number: (If Known)	*NPI:	Email address:		
*Primary Practice Location Name and Address:			*Telephone Number:	
Name	Street Address	City	State	Zip + 4

Fields marked with an * must be completed.

3. Have you ever been convicted of a criminal offense in relation to Medicaid, Medicare, or the State Children's Health Insurance Program (SCHIP)?   ☐ Yes   ☐ No

If "Yes", list the charge(s), where convicted, the date, and disposition status of the conviction.
(Attach additional page(s) if necessary.)

Charge(s)	City/State of Conviction	Conviction Date	Disposition Status
		/ /	
		/ /	

*Print or Type Full Name: _____

*Signature: _____ *Date: _____

Please send this page (Part 1) with your completed Medicaid enrollment application. Do not send Part 2 of the Disclosure form if you are exempt from Disclosure requirements. All other applicants for Medicaid enrollment must complete and submit only Part 2 of the Disclosure of Ownership and Control Interest Statement (SCDHHS Form 1514).

SCDHHS Form 1514 (12-16-11)   Part 1 for Medicaid Provider Enrollment   Page 1 of 1

DISCLOSURE OF OWNERSHIP AND CONTROL INTEREST STATEMENT
PART 2

General Instructions

Federal Medicaid regulations (42 CFR 455.100 – .106) require that all Medicaid providers disclose the name, address, and other identifying information for each person with an ownership or control interest in the provider and any subcontractor in which the provider has a 5% or more interest. All applicants, except an individual practitioner or group of practitioners as defined in 42 CFR 455.101, must complete this form in order to enroll as a provider in the Medicaid program. The provider must also screen all employees and subcontractors to determine whether they have been excluded from participation in Medicare, Medicaid, the State Children's Health Insurance Program (SCHIP) and/or all federal health care programs. Any individual or entity that employs or contracts with an excluded provider cannot claim reimbursement from Medicaid for any items or services furnished, authorized, or prescribed by the excluded provider.

Please answer all questions as of the **current date**. If the **"Yes"** block for an item is checked, list the requested additional information in the area provided; attach additional pages and/or documentation as needed, referencing the item number to which the information corresponds. Return the original to the South Carolina Department of Health and Human Services (SCDHHS); retain a copy for your files. Failure to provide this form and/or incomplete information will result in a refusal by SCDHHS to enter into an agreement or contract with any such provider or institution or in termination of existing agreements.

This form is to be completed for all programs established by Title XIX and Title XXI and **must be submitted within 35 days of any changes to provider information.** Completion and submission of this form is a condition of approval or renewal of a contract or agreement between the disclosing entity and SCDHHS. Any substantial delay in completing the form should be reported to SCDHHS.

> **Disclosure of Social Security Number (SSN)**: Disclosure of a SSN is used for the purpose of determining whether persons and entities named in an application are federally excluded parties and to verify licensure. **Refusal to provide a SSN will result in rejection of the provider's application to participate in the Medicaid program or termination of any existing provider agreement or contract.**

I. Instructions / Definitions: Providers that must have a National Provider Identifier (NPI) must include the NPI. If currently enrolled in South Carolina Medicaid with multiple NPI numbers, a separate Disclosure of Ownership and Control Interest Statement (SCDHHS Form 1514) must be completed for each NPI number.

I. Identifying Information

[a] Name of Provider (Disclosing Entity):
Doing Business As (trade or company name):

Street Address		City, State, Zip + 4	
County	Provider Number(If Known)	NPI	Telephone Number

[b] Federal Employer Identification Number (FEIN):

[c] Type of Entity (Applies to either For Profit or Non-Profit)

☐ Limited Liability Corporation (LLC)

☐ Partnership

☐ Corporation

☐ Business Proprietorship or Company

☐ Sole Proprietor

☐ Governmental Unit

☐ Other (Please specify)_____

II. Instructions / Definitions:

Providers must disclose ownership and control information as required by 42 CFR 455.101 - 104.

Ownership interest is defined as the possession of equity in the capital, the stock or the profits of the disclosing entity. *A disclosing entity* is a Medicaid provider (other than an individual practitioner or group of practitioners), or a fiscal agent.

Indirect ownership interest means an ownership interest in an entity that has an ownership interest in the disclosing entity. This term includes an ownership interest in any entity that has an indirect ownership interest in the disclosing entity. The amount of indirect ownership in the disclosing entity that is held by any other entity is determined by multiplying the percentage of ownership interest at each level. An indirect ownership interest must be reported if it equates to an ownership interest of 5 percent or more in the disclosing entity. Example: if A owns 10 percent of the stock in a corporation that owns 80 percent of the stock of the disclosing entity, A's interest equates to an 8 percent indirect ownership and must be reported.

Control interest is defined as the direction or management of a disclosing entity which may be maintained by any or all of the following devices: the ability or authority, expressed or reserved, to amend or change the corporate identity (i.e. joint venture agreement, unincorporated business status) of the disclosing entity; the ability or authority to nominate or name members of the Board of Directors or Trustees of the disclosing entity; the ability or authority, expressed or reserved, to amend or change the by-laws, constitution, or other operating or management direction of the disclosing entity; the right to control any or all of the assets or other property of the disclosing entity upon the sale or dissolution of that entity; the ability or authority, expressed or reserved, to control the sale of any or all of the indebtedness, to dissolve the entity, or to arrange for the sale or transfer of the disclosing entity to new ownership or control.

Therefore, *a person with an ownership or control interest* is a *person* or *corporation* that –
    (a) Has an ownership interest totaling 5 percent or more in a disclosing entity;
    (b) Has an indirect ownership interest totaling 5 percent or more in a disclosing entity;
    (c) Has a combination of direct and indirect ownership interest equal to 5 percent or more in a disclosing entity;
    (d) Owns an interest of 5 percent or more in any mortgage, deed of trust, note, or other obligation secured by the disclosing entity if that interest equals at least 5 percent of the value of the property or assets of the disclosing entity;
    (e) Is an officer or director of a disclosing entity that is organized as a corporation; or
    (f) Is a partner in a disclosing entity that is organized as a partnership.

Subcontractor means (a) an individual, agency, or organization to which a disclosing entity has contracted or delegated some of its management functions or responsibilities of providing medical care to its patients; or, (b) an individual, agency, or organization with which a fiscal agent has entered into a contract, agreement, purchase order, or lease (or leases of real property) to obtain space, supplies, equipment, or services provided under the Medicaid agreement.

II. Individuals and Organizations with Ownership or Control Interest

[a] List names, addresses, date of birth and SSN for individuals, or list names, addresses and the FEIN for organizations, having direct or indirect ownership or control interest, **as defined on pg. 2,** in the entity listed in Section I. Attach additional pages, if needed, for any additional names and addresses. **If Sole Proprietor or Business Proprietorship or company is checked in Section I, skip this section.**

Name	Address	Date of Birth (If Individual)	SSN (If Individual)	FEIN

[b] Are any persons / entities with ownership or control interest in the provider also owners of other Medicare / Medicaid providers? If yes, list name of the owner from Section II [a] and the name and NPI and/or FEIN for each facility or SSN if an individual provider.
☐ Yes   ☐ No

Name of Owner from Section II [a]	Name of Other Provider or Entity	NPI/SSN	FEIN

III. Subcontractors

[a] Please list any subcontractors of the disclosing entity (provider), **as defined on pg. 2,** in which the disclosing entity has a direct or indirect ownership of 5% or more.
☐ Not Applicable

Name of Subcontractor	Address	Date of Birth (If Individual)	SSN (If Individual)	FEIN

[b] List the following information for individuals or organizations having direct or indirect ownership or a control interest, **as defined on pg. 2,** in any subcontractor in which the disclosing entity (provider) has a direct or indirect ownership of 5% or more. Attach additional pages, if needed, for additional names.

Name	Address	Date of Birth (If Individual)	SSN (If Individual)	FEIN

IV. Relationships

Are any of the individuals identified in Sections I, II or III related to each other?   ☐ Yes ☐ No
If yes, list the individuals identified and the relationship to each other (spouse, sibling, parent, child, etc).

Name of Person 1	Name of Person 2	Relationship

V. Managing Employees

[a] List current managing employees as indicated below. "Managing employee" means general manager, office or business manager, administrator, director, or other individual who exercises operational or managerial control over the institution, agency, or organization, or who directly or indirectly conducts the day-to-day operations.
Attach additional pages, if needed, for additional names.

Name/Title	Address	SSN	Date of Birth

[b] Has there been a change in Administrator, Director of Nursing, or Medical Director within the last year?
☐ Yes   ☐ No
If Yes, give date for change: Date   /   /   . List names, titles, and SSN of the prior Administrator, Director of Nursing, or Medical Director.

Name	Title	SSN

VI. Management Company

A management company is defined as any organization that operates and manages a business on behalf of the owner of that business, with the owner retaining ultimate legal responsibility for operation of the facility. If the answer is yes, list the name of the management firm as well as the managing employees of the firm (i.e., CEO, CFO, etc). Attach additional pages, if needed, for additional names.

Is the provider/entity/facility operated by a management company?
☐ Yes   ☐ No
If Yes, what is the term of the agreement?
Beginning Date   /   /   to Ending Date   /   /

Name of Management Co.	Address	FEIN

Name(s) of Managing Employee(s)	SSN	Date of Birth

VII. Instructions / Definitions: Criminal Offenses related to the delivery of services or items under Medicare or Medicaid programs include convictions relating to patient neglect or abuse in connection with the delivery of a health care item or service; felony and/or misdemeanor convictions related to health care fraud, theft, embezzlement, breach of fiduciary responsibility, or other financial misconduct; and felony and/or misdemeanor convictions related to the unlawful manufacture, distribution, prescription, or dispensing of a controlled substance.

VII. Criminal Offenses

If any of the questions are answered "Yes", list names, addresses, and SSNs for individuals and names, addresses, and FEINs for organizations, or attach documentation or additional pages if needed.

[a] As listed in **Sections II or III**, have any individuals and organizations with a direct or indirect ownership of 5% or more in the disclosing entity (provider), or any subcontractor(s) in which the provider has a direct or indirect ownership of 5% or more, been convicted of a criminal offense related to the involvement of such persons or organizations in any of the programs established by Titles XVIII, XIX, or XXI (Medicare, Medicaid, or SCHIP)?

☐ Yes   ☐ No

[b] As listed in **Sections V or VI**, have any directors, officers, agents, or managing employees of the disclosing entity (provider) ever been convicted of a criminal offense related to their involvement in such program established by Titles XVIII, XIX, or XXI (Medicare, Medicaid, or SCHIP)? ☐ Yes ☐ No

Name	Address	SSN/FEIN

VIII. Instructions / Definitions: Sanctions and other adverse actions include any revocation or suspension of a license to provide health care by any State licensing authority; any revocation or suspension of accreditation; and/or any suspension or exclusion from participation in, or any sanction imposed by, a Federal or State health care program, or any debarment from participation in any Federal Executive Branch procurement or non-procurement program.

VIII. Sanctions and Other Adverse Actions			
Has your organization, under any current or former name or business identity, or any individuals and organizations listed in **Sections II, III, V, or VI,** ever had a final adverse action imposed against it? If yes, report the individual(s) or organization(s) involved, each final adverse action, when it occurred, and the Federal or State agency or the court/administrative body that imposed the action. ☐ Yes ☐ No			
Individual/Organization	Adverse Action	Date	Taken by

IX. Instructions/ Definitions: Changes in provider status are defined as any change in management control. Examples of such changes would include: a change in Medical or Nursing Director, a new Administrator, contracting the operation of the facility to a management corporation, a change in the composition of the ownership, including changes in any partnership arrangement, or any changes of ownership.

IX. Changes in Provider Status
If there has been a change in ownership /partnership within the last year or if you anticipate a change, indicate the date in the appropriate space. If there are no owners (i.e., the provider is a sole proprietorship), check Not Applicable.
[a] Has there been a change in ownership or controlling interest within the last year? If Yes, give date.   ☐ Yes - Date: / /   ☐ No   ☐ Not Applicable

X. Instructions / Definitions: A chain affiliate is any free-standing health care facility that is owned, controlled, or operated under lease or contract by an organization consisting of two or more free-standing health care facilities organized within or across State lines which is under the ownership or through any other devices, control and direction of a private, charitable or propriety. They also include subsidiary organizations and holding corporations. Provider-based facilities, such as hospital-based home health agencies, <u>are not</u> considered to be chain affiliates.

X. Chain Affiliation		
[a]. Is this facility chain-affiliated? If Yes, list name, address and FEIN of parent Corporation below. ☐ Yes ☐ No		
Name	Address	FEIN
[b]. If the answer to part [a] of this item was "No", was the facility ever affiliated with a chain? If Yes, list name, address and FEIN of parent Corporation. ☐ Yes ☐ No		
Name	Address	FEIN

Certification Statement

You MUST sign and date the certification statement below in order to be enrolled in the Medicaid program. In doing so, you are attesting to meeting and maintaining the Medicaid requirements stated below.

I, the undersigned, certify to the following:

1. I have read the contents of this form, and the information contained herein is true, correct, and complete. If I become aware that any information listed on this form is not true, correct, or complete, I agree to notify Medicaid of this fact within thirty-five (35) days of discovery.

2. I authorize Medicaid to verify the information contained herein. I agree to notify Medicaid of a change in ownership, practice location and/or Final Adverse Action within 35 days of the reportable event. In addition, I agree to notify Medicaid of any other changes to the information on this form within 35 days of the effective date of change. I understand that any change in business structure of this provider may require the submission of a new application.

3. I understand that any deliberate omission, misrepresentation, or falsification of any information contained on this form or contained in any communication supplying information to Medicaid, or any deliberate alteration of any text on this form, may be punished by criminal, civil, or administrative penalties including, but not limited to, the denial or revocation of Medicaid billing privileges, and/or the imposition of fines, civil damages, and/or imprisonment.

4. I agree to abide by the Medicaid laws, regulations and program instructions that apply to me or to the organization. The Medicaid laws, regulations, and program instructions are available through SCDHHS. I understand that payment of a claim by Medicaid is conditioned upon the claim and the underlying transaction complying with such laws, regulations, and program instructions, and on the provider's compliance with all applicable conditions of participation in Medicaid.

5. Neither I, nor any managing employee listed on this form, is currently sanctioned, suspended, debarred, or excluded by the Medicare or State Health Care Program, e.g., Medicaid program, or any other Federal program, or is otherwise prohibited from providing services to Medicaid or other Federal program beneficiaries.

6. I agree that any existing or future overpayment made to me or to the organization(s) listed on this form, by the Medicaid program, may be recouped by Medicaid through the withholding of future payments.

7. I understand that the Medicaid identification number issued to me can only be used by me or by a provider to whom I have reassigned my benefits under current Medicaid regulations, when billing for services rendered by me.

8. I will not knowingly present or cause to be presented a false or fraudulent claim for payment by Medicaid, and will not submit claims with deliberate ignorance or reckless disregard of their truth or falsity.

Name of Authorized Representative (Printed or Typed):	Title:
Signature:	Date:

Attachment H. Organizational Conflict of Interest Disclosure

I. INSTRUCTIONS

Read Part II carefully. If a disclosure statement is required, please provide a narrative statement in Part III. If a representation is submitted, please complete Part IV. Complete Part V in every case.

II. ORGANIZATIONAL CONFLICT OF INTEREST DISCLOSURE OR REPRESENTATION

It is the policy of State of South Carolina (State) to avoid situations which place an Offeror in a position where its judgment may be biased because of any past, present, or currently planned interest, financial or otherwise, the Offeror may have which relates to the work performed pursuant to this solicitation or where the Offeror's performance of such work may provide it with an unfair competitive advantage. (As used herein "Offeror" means the proposer or any of its affiliates or proposed consultants or subcontractors of any tier.)

Therefore:

(a) The Offeror shall provide a statement which describes in a concise manner all relevant facts concerning any past, present or currently planned interest (financial, contractual, organizational, or otherwise) relating to the work to be performed hereunder and bearing on whether the Offeror has a possible organizational conflict of interest with respect to (1) being able to render impartial, technically sound, and other objective assistance or advise, or (2) being given an unfair competitive advantage. The Offeror may also provide relevant facts that demonstrate how possible organizational conflict of interest relating to other divisions or sections of the organization(s) or its existing organizational structure or system might be avoided or mitigated. This information should be provided in narrative form in Part III.

(b) In the absence of any relevant interest referred to above, the Offeror shall submit a statement certifying that to its best knowledge and belief no such facts exist relevant to possible organizational conflicts of interest. The Offeror's statement pursuant to this paragraph as well as any statement required to be submitted under (a) above shall include statements form proposed consultants and subcontractors at any tier if relevant. Offeror is responsible for submitting all such information as part of its certification.

(c) The State will review the statement submitted and may require additional relevant information from the Offeror. All such information, and any other relevant information will be used by State to determine whether an award to the Offeror may create an organizational conflict of interest. If found to exist, State may (1) impose appropriate conditions which avoid such conflict, (2) disqualify the Offeror, or (3) determine that it is otherwise in the best interest of the State to contract with the Offeror by including appropriate conditions mitigating such conflict in the contract awarded.

(d) The refusal to provide the disclosure or representation of any additional information as required shall result in disqualification of the Offeror for award. The nondisclosure or misrepresentation of any relevant interest may also result in the disqualification of the Offeror for award, or if such nondisclosure or misrepresentation is discovered after

award, the State may terminate the contract for default, disqualify the contractor from subsequent related contracts, or subject the contractor to such other remedial actions as may be permitted or provided by law.

(e) No award shall be made until the disclosure or representation has been evaluated by State.

III. DISCLOSURE STATEMENT: (attach additional pages if more space is needed)

(Offeror to provide a concise narrative of any potential conflicts)

IV. REPRESENTATION

The Offeror, _____, hereby represents that it is aware of no past, present, or currently planned interest (financial, contractual, organizational, or otherwise) relating to the work to be performed under the contract resulting from Request for Proposal No. _____ that would indicate any impingement upon its ability to render impartial, technically sound, and objective assistance or advice or result in it being given an unfair competitive advantage. This representation applies to all affiliates of the Offeror and its proposed consultants or subcontractors of any tier.

V. SIGNATURE

Offeror's
Name_____

RFP/Contract No. Replacement Medicaid Management Information System

Signature_____

Title_____

Date_____

Attachment I. Contract Data Requirements List

1 Overview

The Contract Data Requirements List (CDRL) is a list of contract data requirements that are required by this Contract. Task Orders may include additional data requirements, and the State may ask Contractors for inputs regarding the nature and scope. For the purposes of the CDRL, "data" is a broad term that includes more kinds of information than merely documents or computer data. The State has provided data item descriptions for those data items which the State has pre-determined to be required regardless of the Task Order.

2 Field Descriptions

The fields are defined as follows:

Title: This is the title of the document; it should be a recognizable title that allows for easy identification of the purpose of the data.

Number: This is an Offeror-proposed nomenclature.

Type of Data: This describes the type of data in the requirement chosen from the following list:

- **Planning**: Data used for project planning and execution.
- **Reporting**: Data consisting of project reports, project metrics, and other outcomes-based items.
- **Technical**: Data supporting requirements analysis, design, construction, test, and other engineering-type data (other than software).
- **Software**: Data that includes items such as source code, object code, build/make files, test scripts, and other items required to create an operational system. Note that for the purposes of the CDRL, software is a data item.
- **Other**: Any data not fitting into another category.

Data Rights: This describes the State's rights in the data. If additional explanation is required for a given category, this explanation should be provided in the Description field. The categories are:

- State Material
- Proprietary Contractor Material
- Third Party Material
- Commercially Available Off-The-Shelf (COTS) Software
- Public Material
- Open Source Software

Frequency Due: This describes how often the document will be updated.

1st Submission Date: This is the date (which should be relative to Contract award program activity; e.g., "60 days after Contract award" or "Four weeks prior beginning UAT") when the data are first planned to be submitted to the State.

Method of Delivery: This should identify the format in which the data will be provided. Additional details (such as the format for electronic data) should be provided, as necessary.

Description: This defines the content of the data in enough detail so that the State and Contractor can understand its purpose, relevance, and completeness.

<mark>Data Items listed</mark>:

- Monthly Financial Report
- Weekly Status Report
- Program Plan
- Monthly Assessment Report
- Ad Hoc Assessment Report

The Offerors may identify any other deliverables that they deem valuable and include these data items in the CDRL.

TITLE	Weekly Status Report		NUMBER	001
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Weekly	1st SUBMISSION DATE	Weekly Status Report template submitted and approved by SCDHHS 2 weeks from project kickoff	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	This document shall list weekly project status to outline progress toward project delivery. Vendor should propose format to be approved by SCDHHS before formal incorporation into process.			
OUTLINE	N/A			

TITLE	Monthly Status Report		NUMBER	002
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Monthly	1st SUBMISSION DATE	Monthly Status Report template submitted and approved by SCDHHS 2 weeks from project kickoff	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	This document should list: - Activities, milestones and deliverables completed in the previous 30 days. - Activities, milestone and deliverables planned for the next 30 days - Risks - Issues - Decision points outstanding or upcoming - Escalation items - Schedule status - Performance metrics, to include Earned Value Metrics - IV&V follow up items and status Contractor should propose a format to SCDHHS which SCDHHS will approve prior to incorporation into the reporting process.			
OUTLINE	N/A			

TITLE	Risks, Issues, Actions, Decisions		NUMBER	003
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Weekly	1st SUBMISSION DATE	30 days from project kickoff	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	• Captures the results of a qualitative and quantitative risk analysis and the results of planning for response. • Keeps a record of all issues that occur during the life of a project. • Record and manage assignments that generally result from meeting discussions. • Documents the decisions made over the course of the project.			
OUTLINE	N/A			

TITLE	Project Schedule		NUMBER	004
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Weekly	1st SUBMISSION DATE	Two months after contract award date	
METHOD OF DELIVERY	Electronic; weekly update to schedule via SCDHHS Project Server			
DESCRIPTION	This document establishes dates and dependencies for major activities along with the detailed tasks needed to complete the activities. Milestones and Deliverables shall be clearly identified on the project schedule. For the Proposal, the project schedule should be at a level of detail needed to convey a realistic approach. Additionally, at least the first three months of the project need to be in detail at the time of the Proposal submission (with dates relative to Contract award). During Contract execution, detailed portions of the project schedule shall be maintained three or more months in the future at all times. Note that this requires monthly submissions to be detailed for at least four months in the future. The project schedule should outline required gate reviews and provide through joint efforts with SCDHHS, the required artifacts for review by CMS.			
OUTLINE	N/A			

TITLE	Project Management Plan (PMP)		NUMBER	005
TYPE OF DATA	Planning	DATA RIGHTS:	State Material	
FREQUENCY DUE	Annual or when changed	1st SUBMISSION DATE	Offeror proposed (during Discovery Phase)	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	This document defines how all project activities are executed, monitored, and controlled. This document describes the processes for ensuring adherence to State, SC DHHS, and Offeror-established policies, standards, guidelines, and procedures. The major elements of the Project Management Plan are: • Project management overview • Objectives and priorities • Project planning process • Staffing management plan • Requirements management • Planning assumptions, constraints, and decisions • Electronic data-sharing system and process • Standards, tools, and techniques to be used • Monitoring and control procedures for cost, schedule, scope, quality, and staffing • Performance metrics reporting process • Financial reporting process • Project status reporting process • Project management review process			
OUTLINE	(Offeror-proposed)			

TITLE	Joint Communications Plan		NUMBER	006
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once	1st SUBMISSION DATE	Within 3 months of contract award date	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	The overall objective of the Joint Communication Plan is to promote the success of a project by meeting the information needs of project stakeholders and outline the goals of the communications efforts to reach and inform each group. The deliverables for this effort are: • Stakeholder Identification and Analysis • Communications Action Matrix			
OUTLINE	N/A			

TITLE	Change Management Plan		NUMBER	007
TYPE OF DATA	Planning	DATA RIGHTS:	State Material	
FREQUENCY DUE	Annual	1st SUBMISSION DATE	Offeror Proposed (during Discovery Phase)	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	This document describes the process, roles, responsibilities, and documentation required to manage change within the project and subsequent operations. Changes managed via this process include both those that result in Contract changes and those that do not require Contract changes. The process described in this plan should manage changes to any baselined artifact. A baselined artifact is one that has been completed or signed off in its current version (i.e., it is complete for its current use even if the Contractor or State plans to change it again in the future for a different purpose). Artifacts can include plans, software, data, system configuration, or any other items over which management control is necessary. The change management process will be integrated into the SCDHHS PMO change management process as appropriate.			
OUTLINE	(Jointly-developed)			

TITLE	Schedule Management Plan		NUMBER	008
TYPE OF DATA	Planning	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once	1st SUBMISSION DATE	Offeror Proposed (during Discovery Phase)	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	This document describes the process, roles, responsibilities, and documentation required to manage change within the schedule. The schedule management plan must address regularly scheduled baselines to the schedule which, at a minimum, follow an annual Implementation Advanced Planning Document (IAPD) update with CMS.			
OUTLINE	(Jointly-developed)			

TITLE	System Security Plan		NUMBER	009
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Final delivered after final system testing	1st SUBMISSION DATE	Preliminary version during Planning Phase	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	Documents the system's security level and describes managerial, technical and operational security controls. Contractor must document system security and operating controls to ensure that the design and implementation of the Services delivered contain such controls, processes and procedures that meet or exceed federal standards and guidance, as amended during the term of this Contract.			
OUTLINE	N/A			

TITLE	Quality Management Plan		NUMBER	010
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once	1st SUBMISSION DATE	30 days from project kickoff	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	The Quality Management Plan documents the necessary information required to effectively manage project quality from project planning to delivery. It defines a project's quality policies, procedures, criteria for and areas of application, and roles, responsibilities and authorities.			
OUTLINE	N/A			

TITLE	Training Plan and Materials		NUMBER	011
TYPE OF DATA	Technical	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Final after Development Phase	1st SUBMISSION DATE	Preliminary version after Design Phase	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	Describes the overall goals, learning objectives, and activities that are to be performed to develop, conduct, control, and evaluate instruction. Describe the products required to satisfy the training plan which may include, web-based instruction, instructor guides, student guides, exercise materials, and training records.			
OUTLINE	(Jointly-developed)			

TITLE	Test Plan		NUMBER	012
TYPE OF DATA	Technical	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Final version delivered during Development	1st SUBMISSION DATE	Preliminary version after Requirements Validation	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	Describes the overall scope, technical and management approach, resources, and schedule for all intended test activities associated with validation testing.			
OUTLINE	(Jointly-developed)			

TITLE	Implementation Plan		NUMBER	013
TYPE OF DATA	Technical	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Final version delivered during Implementation Phase	1st SUBMISSION DATE	Preliminary version during Design Phase	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	Describes how the automated system/application or IT situation will be installed, deployed and transitioned into an operational system or situation. Includes: Major Tasks • What the task will accomplish; • Resources required to accomplish the task; • Assumptions and constraints associated with the task; • Identified risks and planned mitigations associated with the task; • Reference documents applicable to the task; • Criteria for successful completion of the task; • Miscellaneous notes and comments. Implementation Schedule • Task description • Start date • End Date • Responsible Person • Dependencies • Milestone			
OUTLINE	(Jointly-developed)			

TITLE	Turnover Plan		NUMBER	014
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Annually	1st SUBMISSION DATE	6 months prior to end of first contract year	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	This document describes the activities needed to ensure an uninterrupted and transparent turnover at the completion of the Contractor's Contract. This plan shall describe the activities that will be performed to ensure that required system and operational knowledge is transferred to the new Vendor. This includes the conversion and migration of all pertinent information and work in progress, leases, etc. Additionally, the plan shall discuss roles and responsibilities of the organizations and the workflow between the current Contractor and new Contractor. High-level timelines and contingency plans should be included.			
OUTLINE	N/A			

TITLE	User Manual		NUMBER	015
TYPE OF DATA	Technical	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Final version during Implementation Phase	1st SUBMISSION DATE	Preliminary version during Design Phase	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	Explains how a novice business user is to use the automated system or application from a business function perspective.			
OUTLINE	(Jointly-developed)			

TITLE	Test Summary Report		NUMBER	016
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Weekly	1st SUBMISSION DATE	At the start of system testing	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	Provide a brief description of the testing process employed. Summarize what testing activities took place, including the versions/releases of the software, environment, etc. Identify the test functions performed, the test period(s), test location(s), and the test participants and their roles in the testing process. At a minimum, report of the following: Summary - Test Cases Planned: Number of test cases planned to execute for the release - Test Cases Run: Actual number of planned test cases executed - Test Cases Reviewed: Number of executed test cases reviewed based on result - Test Cases Passed: Actual number of reviewed test cases that met the expected result - Test Cases Failed: Actual number of reviewed test cases that failed to meet the expected result - Test Cases To Be Run: Number of planned test cases remaining to be executed - Test Cases Held: Number of planned test cases on hold/not applicable/postponed at this point of time - Comments / Explanation Details - Test Case - Test Description - Date Tested - Pass/Fail - Comments Incidents - Impact - Total Reported - Total Resolved - Total Unresolved - Comments / Status / Correction Plan			
OUTLINE	N/A			

TITLE	Data Dictionary		NUMBER	017
TYPE OF DATA	Technical	DATA RIGHTS:	State Material	
FREQUENCY DUE	Quarterly	1st SUBMISSION DATE	During Requirements Validation	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	This document outlines all data elements in the Contractor solution and how they are mapped, translated, decoded from SCDHHS data. The original effort to map SCDHHS data will be a joint effort between Contractor and SCDHHS. For all Contractor-created measures and data elements, describe how they are derived, including: • Source SCDHHS data element • Formula • Known risks or limitations			
OUTLINE	(Jointly-developed)			

TITLE	Systems Engineering Management Plan (SEMP)		NUMBER	018
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once	1st SUBMISSION DATE	3 months after project kickoff	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	The Contractor shall document its technical processes in a Systems Engineering Management Plan. The System Engineering Management Plan shall describe the Contractor's proposed efforts for planning, controlling and conducting a fully integrated engineering effort. The Plan will be used to understand and evaluate the Contractor's engineering work efforts as part of the contract monitoring process. Contractor must propose the methods and artifacts needed to accurately and adequately document the system and operations architecture and design with respect to this Contract and shall maintain this documentation for the life of the Contract. The Contractor shall provide to the State database schema, data dictionaries, entity-relationship diagrams, and interface standards for the entire system, including those supporting Proprietary Contractor Material.			
OUTLINE	N/A			

TITLE	Data Accession List		NUMBER	019
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Quarterly	1st SUBMISSION DATE	Three months after Contract award	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	This document shall list management, configuration and engineering documents (to include software), not part of the CDRL, that are created under this Contract. The DAL shall include the data or document title, a reasonable description, the in-house release date, the Project to which the document applies, and the data rights associated with the item. The documents included on this list should be limited to those directly related to the management, configuration or engineering of the project. It is not intended to capture every record/e-mail/note/letter created during the Term of the Contract. Examples could include documents such as system performance analysis reports, schedule risk analyses, software test drivers that are not needed to maintain the system, etc. Examples of documents that would not be part of the DAL are internal e-mails, personal daily or meeting notes, drafts of documents, etc. Note: Any data required for proper operation, configuration parameters and maintenance of the system and for proper conduct of operations shall be identified in the CDRL rather than the DAL.			
OUTLINE	N/A			

TITLE	High Level Technical Design Document		NUMBER	020
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Final during Planning Phase	1st SUBMISSION DATE	Prior to Planning Phase	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	The high-level design should be a complete view of the entire system, breaking it down into smaller parts that are more easily understood. A high-level design provides an overview of and describe all solutions, platforms, systems, products, services or processes. This document includes a high-level architecture diagram depicting the structure of the system, such as the database architecture, application architecture (layers), application flow (navigation), security architecture and technology architecture.			
OUTLINE	N/A			

TITLE	Logical Data Model		NUMBER	021
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Final during Design Phase	1st SUBMISSION DATE	During Planning Phase	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	Describes the data in as much detail as possible, without regard to how they will be physically implemented in the database. SCDHHS must validate the Contractor understanding and approach to identifying and incorporating all data elements into the Contractor solution. • Includes all entities and relationships among them. • All attributes for each entity are specified. • The primary key for each entity is specified. • Foreign keys (keys identifying the relationship between different entities The final Logical Data Model will be approved prior to the Design Phase at the conclusion of requirements validation.			
OUTLINE	N/A			

TITLE	Physical Data Model		NUMBER	022
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Final during Design Phase	1st SUBMISSION DATE	Prior to Design Phase	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	The Physical Data Model is required for SCDHHS to understand and validate how the Contractor proposes to physically link data elements in the analytics solution. Shows all table structures, including column name, column data type, column constraints, primary key, foreign key, and relationships between tables. The final Physical Data Model will be approved during the Design Phase.			
OUTLINE	N/A			

TITLE	System Design Document		NUMBER	023
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Finalized during Design Phase	1st SUBMISSION DATE	Design Phase	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	The System Design Document describes design goals and considerations, provides a high-level overview of the system architecture, and describes the data design associated with the system, as well as the human-machine interface and operational scenarios. The high-level system design is further decomposed into low-level detailed design specifications for each of the system's components, including hardware, internal communications, software, system integrity controls, and external interfaces.			
OUTLINE	N/A			

TITLE	Database Design Document		NUMBER	024
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Final Version submitted during Development Phase	1st SUBMISSION DATE	Design Phase	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	Describes the design of a database and the software units used to access or manipulate the data. The Contractor-proposed document should provide standard SDLC Database Design Document information to include: System Overview Database Design Decisions Database Administrative Functions Database Interfaces Reporting Data Access Implementation Considerations Non-Functional Design Backups and Recovery Archiving Final version and all application information included will be approved by SCDHHS at the conclusion of the Design Phase.			
OUTLINE	N/A			

TITLE	Disaster Recovery / Business Continuity Plan		NUMBER	025
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Interim versions after each SDLC phase; final before O&M	1st SUBMISSION DATE	15 days after project kickoff meeting	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	Contractor must provide detailed disaster recovery, turnover and continuity of business plans designed to minimize any potential disruption to its operation. This plan must be approved by SCDHHS prior to implementation and is to be modified with approval as circumstances warrant. These plans must: • Be tested periodically, at schedules agreed upon by the Offeror, with a written report to SCDHHS. It will be the Offeror's sole responsibility to maintain adequate back-up to ensure continuous operations. • Include procedures for accessing necessary electronic Protected Health Information (ePHI) in the event of an emergency; continue protection of ePHI during emergency operations. The Offeror must: • Propose a schedule for testing the Disaster Recovery Plan before and after implementation, and included in the project schedule • Have redundant systems and data located in two (2) different parts of the country in the event of a disaster. • Provide a plan to return operational status to normal in the event of a disaster as quickly as possible. • Describe recovery processes, including requirements for communication plans and redundant or stand-by hardware, software, and staffing • Describe provisions to support interim manual operations during recovery. • Propose a schedule for testing the Disaster Recovery Plan before and after implementation			
OUTLINE	N/A			

TITLE	System Utilization Report		NUMBER	026
TYPE OF DATA	Other	DATA RIGHTS:	State Material	
FREQUENCY DUE	Monthly	1st SUBMISSION DATE	6 weeks after the Go Live date and monthly thereafter.	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	The report must include: • Total reports and queries • Usage by program area and user • Min, max and average report time			
OUTLINE	N/A			

TITLE	Help Desk Plan		NUMBER	027
TYPE OF DATA	Planning	DATA RIGHTS:	State Material	
FREQUENCY DUE	Once; Final after Development Phase	1st SUBMISSION DATE	Preliminary version after Design Phase	
METHOD OF DELIVERY	Electronic			
DESCRIPTION	This document defines how all the help desk related activities are executed, monitored, and controlled. This document describes the processes for ensuring adherence to the help desk requirement. The major elements of the Help Desk Plan are: • Help Desk Service Level Schedule • Problem response and resolution process • Help desk performance analysis report template and process • Problem escalation process • Implementation process of a customer self-help database and portal.			
OUTLINE	(Offeror-proposed)			

Attachment J. Corporate Experience Table

Contract/Project Name	Customer Name	Beginning Date (Month/Year)	Ending Date (Month/Year)	Experience Type			
				Medicaid IT	Other Healthcare IT	Non-Healthcare IT	Other
Example Project	**Example Customer**	**04/2009**	**03/2011**			**X**	

Attachment K. Service Provider Security Assessment Questionnaire

SERVICE PROVIDER SECURITY ASSESSMENT QUESTIONNAIRE

Instructions: (1) Attach additional pages or documents as appropriate and make sure answers cross reference to the questions below. (2) As used in this Questionnaire, the phrase "government information" shall have the meaning defined in the clause titled "Information Security." (3) This Questionnaire must be read in conjunction with both of the following two clauses (a) Service Provider Security Assessment Questionnaire – Required, and (b) Service Provider Security Representation.

1. Describe your policies and procedures that ensure access to government information is limited to only those of your employees and contractors who require access to perform your proposed services.

2. Describe your disaster recovery and business continuity plans.

3. What safeguards and practices do you have in place to vet your employees and contractors who will have access to government information?

4. Describe and explain your security policies and procedures as they relate to your use of your contractors and next-tier sub -contractors.

5. List any reports or certifications that you have from properly accredited third-parties that demonstrate that adequate security controls and assurance requirements are in place to adequately provide for the confidentiality, integrity, and availability of the information systems used to process, store, transmit, and access all government information. (For example, an ISO/IEC 27001 compliance certificate, an AICPA SOC 2 (Type 2) report, or perhaps an AICPA SOC 3 report (i.e., a SysTrust or WebTrust seal)). For each certification, describe the scope of the assessment performed. Will these reports / certifications remain in place for the duration of the

contract? Will you provide the state with most recent and future versions of the applicable compliance certificate / audit report?

6.   Describe the policies, procedures and practices you have in place to provide for the physical security of your data centers and other sites where government information will be hosted, accessed or maintained.

7.   Will government information be encrypted at rest? Will government information be encrypted when transmitted? Will government information be encrypted during data backups, and on backup media? Please elaborate.

8.   Describe safeguards that are in place to prevent unauthorized use, reuse, distribution, transmission, manipulation, copying, modification, access or disclosure of government information.

9.   What controls are in place to detect security breaches? What system and network activity do you log? How long do you maintain these audit logs?

10.   How will government information be managed after contract termination? Will government information provided to the Contractor be deleted or destroyed? When will this occur?

11.   Describe your incident response policies and practices.

12.   Identify any third party which will host or have access to government information.

Offeror's response to this questionnaire includes any other information submitted with its offer regarding information or data security.

SIGNATURE OF PERSON AUTHORIZED TO REPRESENT THE ACCURACY OF THIS INFORMATION ON BEHALF OF CONTRACTOR:

By: _____

       (Authorized signature)

Its: _____

       (Printed name of person signing above)

       _____

       (Title of person signing above)

Date: _____

SPSAQ (JAN 2015) [09-9025-1]

Attachment L. South Carolina Standard Amendment to End User License Agreements for Commercial Off-The-Shelf Software – Single Agency

SOUTH CAROLINA STANDARD AMENDMENT
TO
END USER LICENSE AGREEMENTS
FOR
COMMERCIAL OFF-THE-SHELF SOFTWARE

SINGLE AGENCY

This Agreement is made the _____ day of _____, 20__ (the "Effective Date") between [Company Name], a corporation organized and existing under the laws of [State], and having its principal office at [address] (hereinafter referred to as "Licensor") and [Agency Name], an instrumentality of the State of South Carolina (hereinafter referred to as "Licensee." Licensor and Licensee may also be referred to in this Agreement collectively as the "Parties."

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement by their duly authorized agents.

Solicitation Description:_____	Solicitation No.: _____
LICENSOR.	**INFORMATION TECHNOLOGY MANAGEMENT OFFICE**, acting on behalf of Licensee.
_____	_____
By:	By:
Its:	Its:

Recitals

This document is being used in conjunction with a solicitation issued for a government procurement being conducted for Licensee; nevertheless, the Parties intend for this document (including any attachments) to memorialize a contractual relationship related to but independent of any contractual relationship entered into by an award issued pursuant to that solicitation.

Agreement

For the reasons recited above, and in consideration of the mutual covenants contained herein, the Parties agree as follows:

Definitions

Agreement means this South Carolina Standard Amendment to End User License Agreements for Commercial Off-The-Shelf Software, not including any EULA or other attachments.

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Authorized EULA means any EULAs attached as Exhibit "C", but does not include any document referenced or incorporated therein unless attached to this Agreement. Licensor warrants that every Authorized EULA is an unmodified copy of Licensor's standard form agreement.

Distributor means the generic category of entities authorized by Licensor, if any, that participate in the distribution chain between Licensor and Licensee, including, but not limited to, value added resellers (VARs), original equipment manufacturers (OEMs), distributors, dealers, independent sales organizations (ISOs), resellers, and retail outlets.

Distributor Contract means a contract between a Licensee and a Distributor by which Licensee can acquire licenses of the Software. Nothing in this agreement constitutes a representation or obligation that Licensor has made or will make its Software available through a Distributor.

Documentation means all materials supplied, directly or indirectly, to Licensees by Licensor, by any means or media that explain or facilitate the use of the Software, which may include, without limitation, any materials that describe the functional, operational, and/or performance capabilities of the Software; training materials; user, operator, system administration, technical, support, and other manuals or instructions; flow charts, and logic diagrams. Licensor warrants that the Documentation does and will continue to accurately describe the functional and operational characteristics of the Software. Licensor warrants that the Documentation will be contemporaneously updated to reflect any changes made to the Software.

End User License Agreement ("EULA") means any license agreement or other commercial agreement, regardless of how designated, pertaining to the right to use any Software, including, but not limited to, any such agreement proposed prior to or after execution of this Agreement, and including without limitation any such agreement that either is affixed to (e.g., shrinkwrap), imbedded in (e.g., clickwrap), or in any way accompanies the Software upon delivery. The term "EULA" does not include this Agreement. The term "EULA" does not include any contract awarded by or on behalf of a Licensee as a result of a formal solicitation (e.g., invitation for bids or request for proposals) issued by or on behalf of a licensee. The term "EULA" does not include a contract to the extent it governs software maintenance as defined in ISO/IEC 14764:2006.

ITMO means the Information Technology Management Office established by South Carolina Code Section 11-35-820, as amended, or its successor in interest. Pursuant to Section 11-35-510 of the South Carolina Code of Laws, ITMO is authorized to act as the statutory procurement agent for every South Carolina Governmental Body (as defined by S.C. Code Ann. § 11-35-310(18), as amended) covered by the South Carolina Consolidated Procurement Code. Consistent with its statutory authority, ITMO is acting solely in a representative capacity and on behalf of Licensees. ITMO is not a party to this Agreement. Notwithstanding any other provision, ITMO bears no liability for any party's losses arising out of or relating in any way to this Agreement.

Ordering and Confirming Documents means those documents exchanged between a Licensee and the Licensor to memorialize the number and configuration of licenses ordered and provided, whether exchanged directly with Licensor or indirectly through a Distributor. By way of example, ordering documents may include a purchase order or other instrument submitted by Licensee, and confirming documents may include a software key or license-specific identifying information, an invoice, or another document submitted by Licensor.

Prior Agreement means a written agreement that was negotiated, signed using pen and paper, and executed by an authorized representative of a Licensee prior to the Effective Date of this Agreement.

Procurement Contract means any contract awarded pursuant to the Solicitation identified above by reference to its Solicitation Number and Solicitation Description.

Software means any computer program referenced on Exhibit "B", including any future service packs, maintenance updates, patches, fixes, or like modifications to the computer program by whatever name

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provided by Licensor, if any. In addition, Exhibit B excludes any computer program not identified in the Procurement Contract. For clarity, Exhibit B excludes all services, including without limitation, so-called "software-as-a-service" and "cloud services," application services, etc., even if included therein.

Attachments

Exhibit A – [RESERVED]
Exhibit B – Software List
Exhibit C - Authorized EULAs

1. RELATIONSHIP BETWEEN THIS AGREEMENT AND THE AUTHORIZED EULAs.

1.1   Agreement to Authorized EULAs. Subject to the provisions of this Agreement, Licensee agrees to the terms and conditions of the Authorized EULAs. Any EULA that is not an Authorized EULA is void and of no effect. Licensor represents that every EULA applicable to the computer programs referenced on Exhibit "B" has been attached to Exhibit "C" as an Authorized EULA.

1.2   Primacy of Agreement. The terms of this Agreement shall be given full effect prior to the application of any term in the Authorized EULAs. To the extent of any inconsistency or conflict, the terms of this Agreement take precedence over any similar terms in any Authorized EULAs. To the extent an Authorized EULA provides Licensee with options or rights in addition to or beyond those available under this Agreement, nothing in this Agreement is intended to limit Licensee's exercise of such options or rights.

1.3   Entire Agreement. Within the scope of this Agreement, as defined in Paragraph 2, this Agreement, Exhibit "B" (the Software List), and the Authorized EULAs constitute the entire agreement between the Parties and supersede all other prior or contemporaneous agreements, representations, or discussions, whether oral or written. This Agreement and the Authorized EULAs shall apply notwithstanding any conflicting or additional provisions in Ordering or Confirming Documents.

2. LIMITED SCOPE OF AGREEMENT.

2.1   This Agreement and the Authorized EULAs apply only to the use and licensing of Software by Licensee. All terms in an Authorized EULA regarding services (other than warranty services) are void.

2.2   Neither this Agreement nor an Authorized EULA authorize any Licensee to pay any funds directly to Licensor. All terms in a EULA regarding pricing, payment, interest, and delivery are void. This Agreement and the Authorized EULAs are independent of, and do not form a part of a Procurement Contract. Ordering and Confirming Documents may not be issued pursuant to an Authorized EULA, but must be issued pursuant to a Procurement Contract. Ordering and Confirming Documents form a part of this Agreement and the Authorized EULAs but only to the extent they memorialize the number of, configuration of, and prices paid for licenses ordered and provided. Ordering and Confirming Documents may not supplement, alter, or modify any provision of this Agreement or an Authorized EULA.

2.3   Subject to the limits of item 2.1, this Agreement and the Authorized EULAs apply to all licenses of Software licensed from Licensor by a Licensee during the term of this Agreement, whether acquired directly from Licensor or indirectly through a Distributor.

3. TERM OF AGREEMENT.

3.1   With regard to the licensure of any particular copy of Software, the terms of this Agreement and the Authorized EULAs shall continue to apply to that license notwithstanding the expiration of this Agreement.

3.2   This Agreement shall be in effect for seven years from the Effective Date. Expiration of this Agreement does not terminate any particular license of Software.

4. LICENSE GRANT.

4.1 Any rights granted by Licensor to Licensee in an Authorized EULA are in addition to any rights granted by this Paragraph 4. Licensor agrees that Licensee shall have the rights that are set forth in items

4.2 For each license acquired, the Software may be:

4.2.1 Used or copied for use in or with the computer or computers for which it was acquired, including without limitation use at any of Licensee's installations to which such computer or computers may be transferred;

4.2.2 Used or copied for use in or with a backup computer if any computer for which it was acquired is inoperative;

4.2.3 Reproduced for safekeeping (archives) or backup purposes;

4.2.4 Modified, adapted, or combined with other computer programs ~~or computer data bases~~; however, a Licensee may not reverse engineer, decompile or disassemble the Software except to the extent necessary to create interfaces to, or allow inter-operability with, other computer programs or computer data bases;

4.2.5 Disclosed to and used by support service contractors or their subcontractors for the benefit of the Licensee, subject to the restrictions set forth in this Agreement; and,

4.2.6 Used or copied for use in or transferred to a replacement computer.

4.3 Notwithstanding any other provision, Licensee's fair use rights (17 U.S.C. § 107) are not limited in any way.

5. INTELLECTUAL PROPERTY INFRINGEMENT.

5.1 As used in this Paragraph 5, these terms are defined as follows: "Acquired Item(s)" means the rights, Software, or services, if any, furnished under this Agreement or any Authorized EULA. "Affiliate" means any business connected with or related to Licensor. "Indemnitee" means Licensee, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees. "IP Right(s)" means a copyright, patent, trademark, trade secret, or any other proprietary right.

5.2 In the event of any claim by any third party against an Indemnitee asserting or involving an IP Right which concerns any Acquired Item(s), Licensor shall defend Indemnitee, at its expense, against all actions, proceedings or claims of any nature and shall, without limitation, indemnify Indemnitee for and against any loss, cost, expense, attorneys' fees and expenses (including inside counsel), or liability, resulting from or related to such claim, whether or not such claim is successful.

5.3 Indemnitee must notify Licensor in writing within a reasonable period of time after Indemnitee first receives written notice of any such claim or action. Indemnitee's failure to provide or delay in providing such notice will relieve Licensor of its obligations under this Paragraph 5 only if and to the extent that such delay or failure materially prejudices Licensor's ability to defend such claim. Indemnitee must reasonably cooperate with Licensor's defense of such claims or suits and, subject to Title 1, Chapter 7 of the South Carolina Code of Laws, allow Licensor sole control of the defense, so long as the defense is diligently and capably prosecuted. Licensee may participate in Licensor's defense of any action. Except for an injunction limited to requiring the cessation of use of an Acquired Item that is the subject of a claim, Licensor may not, without Licensee's prior written consent, settle, compromise, or consent to the entry of any judgment in any such commenced or threatened claim or action unless such settlement, compromise or consent (i) includes an unconditional release of Indemnitee from all liability related to such commenced or threatened claim or action, and (ii) is solely monetary in nature and does not include a statement as to, or an admission of fault,

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culpability or failure to act by or on behalf of, an Indemnitee or otherwise adversely affect an Indemnitee. Licensee's consent is necessary for any settlement that requires Licensee to part with any right or make any payment or subjects Licensee to any injunction, except for an injunction requiring cessation of use of an Acquired Item that is the subject of the claim.

5.4 In the event an injunction, order, or agreement shall be obtained against Licensee's use of any Acquired Item, Licensor shall, without in any way limiting its other obligations under this Agreement and at its sole expense: (a) use good faith, diligent efforts to procure for Licensee the right to continue to use, and to have used, the Acquired Item, and if such remedy is commercially impracticable, to then (b) replace or modify the Acquired Item so that it becomes non-infringing but only if the modification or replacement does not materially adversely affect the functionality of the Acquired Item or its use by Licensee. In the event that both of these remedies are commercially impracticable, Licensor may require that Licensee stop using the Acquired Item, refund to Licensee an amount equal to all money paid by Licensee therefore, and take all steps necessary to have any Indemnitees released from any further liability.

5.5 Licensor's obligations under this Paragraph 5 do not apply to a claim to the extent (a) that the claim is caused by a modification of Software made by Licensee; (b) that the claim is caused by Licensee's use of a superseded release of Software if the infringement would have been avoided by Licensee's timely implementation of an update or upgrade previously provided to Licensee, but only if such update or upgrade (1) was provided by Licensor at no cost or as part of either maintenance or a previous purchase by Licensee, and (2) does not materially adversely affect the functionality of the Acquired Item or its use by Licensee; (c) that the claim is caused by Licensee combining the Software with another computer program or hardware unless such combinations are recommended by the Documentation or otherwise suggested by Licensor or its Affiliates; (d) that the claim is caused by Licensee reverse engineering, decompiling, or disassembling Software; (e) that the claim arises from Licensee's use of any Software that is open source or freeware, but only if the open source or freeware is not incorporated or combined by Licensor in Software provided by Licensor; (f) that the claim is caused (1) by modifications made to the Software by Licensor or its Affiliates in accordance with a detailed, exact statement of specifications furnished by Licensee unless Licensor or its Affiliates knew or should have known that compliance with the Licensee's specifications would infringe an IP right, or (2) by compliance by Licensor or its Affiliates with specifications furnished by Licensee if Licensee knowingly relied on a third party's product to develop the specifications provided to Licensor or its Affiliates and failed to identify such product to Licensor.

5.6 Notwithstanding any other provision, Licensor's obligations pursuant to this Paragraph 5 are without any limitation whatsoever. Licensor's obligations under this clause shall survive the termination, cancellation, rejection, or expiration of this Agreement.

5.7 Paragraph 5 states Licensee's exclusive remedy for third party damages claims asserting a violation or infringement of the third party's intellectual property rights.

6. LIMITATION OF RECOVERY.

6.1 Limitation of Damages – Licensor. Except as provided in Paragraph 5 (Intellectual Property Infringement), Paragraph 7.1 (Right to Audit; Misuse of Data), and Paragraph 14.22 (Privacy), Licensor's liability for damages, if any, for any cause whatsoever, and regardless of the form of action, shall in no event exceed an amount equal to twice the cumulative fees paid or payable by Licensee to license the Software. The foregoing limitation applies to the exclusion of any other limitation or exclusion of the remedies available against Licensor, the liability of Licensor, or the damages recoverable from Licensor.

6.2 Limitation of Damages - Licensee. Except as provided in Paragraph 7.2 (Audit Remedy; Exclusivity), Licensee's liability for damages, if any, for any cause whatsoever, and regardless of the form of action, shall in no event exceed an amount equal to twice the cumulative fees paid or payable by Licensee to license Software. Licensee's total liability for any obligation arising under any clause imposing any duty of confidentiality or non-disclosure shall not exceed an amount equal to fifty thousand dollars. The foregoing limitations do not apply to a loss incurred by Licensor to the extent the loss results because Licensee has created a derivative work from, reverse assembled, reverse compiled, or otherwise reduced to human

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readable form the Software without Licensor's prior written consent. Nothing herein shall be construed to waive any clause regarding the availability or appropriation of funds, sovereign immunity, or any other immunity, restriction, or limitation on recovery provided by law.

7. AUDIT.

7.1   Right to Audit; Misuse of Data. Licensor has the right to audit Licensee at Licensor's expense. Licensor shall conduct an audit and use the information obtained in an audit only to enforce Licensor's rights under, and to determine whether Licensee is in compliance with, the terms of this Agreement and any Authorized EULAs. Any audit will be subject to a confidentiality obligation and will take place upon not fewer than 30 days notice, during Licensee's normal business hours, and in a manner that does not interfere unreasonably with Licensee's operations. Licensor's sole audit right regarding Licensee is provided by this Paragraph 7. Notwithstanding any other provision, Licensor's liability for intentional breach of its obligation regarding the use of information obtained in an audit is without any limitation whatsoever.

7.2   Audit Remedy; Exclusivity. If an audit reveals or Licensor otherwise discovers unlicensed use of Software by Licensee, Licensee shall either (a) promptly order and pay for sufficient licenses to permit all Software usage discovered and pay Licensor the difference between (i) the license fees that Licensee should have paid for such Software, based upon actual usage, and (ii) the actual license fees that Licensee paid for the software, based upon the actual usage level for which such Software was licensed, or (b) immediately terminate any unlicensed use of Software and pay any applicable license fees for any noncompliance discovered. If a Distributor Contract exists, Licensee may order licenses from, and pay license fees to, a Distributor at a price established by a Distributor Contract. If Licensee's unlicensed use of the Software would be within the scope of license rights granted by this Agreement and the Authorized EULAs but for Licensee's failure to acquire an adequate number of licenses or an available license, Licensor's exclusive remedy for the unlicensed use shall be the remedy provided by this item 7.2. If Licensee fails to execute either option within a reasonable time, the foregoing remedy will not be considered exclusive.

7.3   Licensor's right to conduct an audit is limited by any applicable statutory or regulatory limitations on access to public records.

8. LICENSEE'S RECORDS. For each license of Software acquired pursuant to this Agreement, Licensee agrees to retain records of that license for one year beyond the duration of that license, provided that Licensee has no obligation to retain records of a license beyond one year after Licensee ceases to retain a copy of the Software to which a license applies. Licensor may access Licensee's records as provided in the South Carolina Freedom of Information Act and any other applicable law. Except as stated in this Agreement, Licensor agrees that Licensee has no obligation to retain any records.

9. CONFIDENTIALITY & NONDISCLOSURE. This Agreement and the Authorized EULAs are subject to public disclosure. All provisions of an Authorized EULA regarding confidentiality or nondisclosure are subject to the South Carolina Freedom of Information Act and other applicable laws. Any duty of confidentiality or nondisclosure established by an Authorized EULA applies only to Software and Documentation that has been conspicuously marked with the words confidential, proprietary, or trade secret.

10.TERMINATION.   Licensor may not terminate either this Agreement or the Authorized EULAs in the absence of a breach by Licensee that would, under the common law, be material. Any termination by Licensor must be preceded by adequate notice and opportunity to cure. If Licensor exercises any termination rights under any Authorized EULA, Licensee may, in addition to any rights provided in the Authorized EULAs, continue using software pursuant to this Agreement and the Authorized EULAs for a period of six months in order to allow Licensee to convert from the use of Software, unless Licensee has violated the restrictions in paragraph 4.2.4. During the conversion period, and to the extent applicable Licensee shall pay any applicable, previously unpaid license fees at the price last available from Licensor to Licensee prior to termination or, at Licensee's option, at the price established by an applicable Distributor Contract, if any.

11. WARRANTIES. The warranties provided in this Paragraph 11 are in addition to any other warranties provided in the Authorized EULAs. Licensor warrants (a) that every item of Software, without unauthorized modification, will perform substantially in accordance with the Documentation applicable to the Software for a period of 365 days from the date the item of Software is installed by Licensee, (b) that Licensor has all necessary right and authority to license the Software and to grant the licenses provided hereunder, and (c) that there is currently no actual or threatened legal action against Licensor by any third party based on an alleged violation of an intellectual or proprietary property right that has not been disclosed to ITMO and that could adversely affect Licensor's ability to license the use of the Software. Licensor agrees that it will not electronically repossess, trigger any lock, or use any device capable of halting operations or erasing or altering data or programs with regard to any Software that it has licensed to Licensee.

12. BANKRUPTCY.

12.1 <u>Notice of Insolvency</u>. Licensor shall provide ITMO and Licensee with written notice immediately upon the filing by Licensor of a petition in bankruptcy or insolvency or upon any other proceeding or action by or against Licensor under the relevant law on insolvency or bankruptcy, or after the making by Licensor of any assignment or attempted assignment for the benefit of creditors or upon or after the institution of any proceedings for the liquidation or winding up of Licensor's business or for the termination of its corporate charter.

12.2 <u>Rejection of Executory License</u>. The Parties agree that the Software is "intellectual property" as defined in Section § 101(35A) of the U.S. Bankruptcy Code. Upon the filing by Licensor of a petition in bankruptcy or insolvency or upon any other proceeding or action by or against the Licensor under the relevant law on insolvency or bankruptcy, this Agreement and the Authorized EULAs shall be governed by Section 365(n) of the U.S. Bankruptcy Code. If any person seeks to reject this Agreement or the Authorized EULAs pursuant to bankruptcy law, Licensee shall have the option of using the Software for either the original term of the Authorized EULAs or a period of five years after rejection is requested.

13. RIGHTS TO SOFTWARE OR DATABASE DEVELOPED BY LICENSEE. Nothing in this Agreement or any Authorized EULA shall be construed to give Licensor any rights with regard to computer programs developed by Licensee, regardless of whether or not such programs are connected to or embedded in Software or are functionally similar, in whole or part, to Software. Nothing in this paragraph grants a Licensee any rights to Licensor's intellectual property or to any derivative works.

14. GENERAL

14.1 <u>Choice of Law & Choice of Forum</u>. Both the rights and obligations of the Parties and this Agreement and any EULA, as well as any dispute, claim, or controversy arising out of or relating to this Agreement or any EULA, shall, in all respects, be established, interpreted, construed, enforced and governed by and under the laws of the State of South Carolina, without regard to any provision governing conflicts of law. All disputes, claims, or controversies arising out of or in any way relating to this Agreement or any EULA shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina.

14.2 <u>Sovereign Immunity</u>. Title 11, Chapter 35, Article 17 constitutes a limited statutory waiver of sovereign immunity. Notwithstanding paragraph 14.1, Licensor agrees that neither this Agreement, any Authorized EULAs, nor any act by either ITMO or Licensee regarding this Agreement or any EULA is a waiver of either their sovereign immunity or their immunity under the Eleventh Amendment of the United States Constitution.

14.3 <u>Subject to Applicable Law</u>. This Agreement is entered into pursuant to the South Carolina Consolidated Procurement Code (Title 11, Chapter 35 of the South Carolina Code of Laws.) As a public entity, all of Licensee's obligations are subject to any applicable laws.

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14.4 <u>Alternative Dispute Resolution</u>. No method of mandatory alternative dispute resolution shall apply to any dispute, claim, or controversy arising out of or relating to this Agreement or the Authorized EULAs.

14.5 <u>CISG / UCITA</u>. Neither the UN Convention on the International Sale of Goods nor the Uniform Computer Information Transactions Act (nor any non-uniform version) shall apply to this Agreement or the Authorized EULAs.

14.6 <u>ITMO Participation In Contract Disputes</u>. Consistent with its statutory authority, ITMO is acting solely in a representative capacity and on behalf of Licensees. Accordingly, ITMO is not a party to this Agreement and need not be joined as a party to any dispute that may arise out of this Agreement. With regard to this Agreement, the officers, agents and employees of ITMO are acting solely in their official capacity and need not be joined as a party to any dispute that may arise out of this Agreement.

14.7 <u>Notices</u>. In addition to any other obligations the parties may have regarding notice, all **notices or other communications regarding termination, material breach, modification, or audit of this Agreement, an Authorized EULA, or a license covered by either shall be copied to ITMO at the following address.**

Information Technology Management Office
Procurement Services Division
State Budget & Control Board
1201 Main Street, Suite 600
Columbia, SC 29201

14.8 <u>Third Party Beneficiary</u>. This Agreement and the Authorized EULAs are made solely and specifically among and for the benefit of the Parties hereto, and their respective successors and assigns, and no other person will have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Agreement or the Authorized EULAs as a third party beneficiary or otherwise.

14.9 <u>Assignment</u>. Except as set forth below, neither party may assign or transfer this Agreement, the Authorized EULAs, or any rights regarding either, without the prior written consent of ITMO. Reference S.C. Code Ann. Regs § 19-445.2180. Such consent shall not be unreasonably withheld. Any attempted assignment, delegation or transfer in derogation of this Paragraph shall be null and void.

14.9.1 This Agreement and the Authorized EULAs, and any rights regarding either, may be assigned to an affiliates of the Licensor, or to successors-in-interest of substantially all the assets of the Licensor, if the assignee expressly assumes the Licensor's obligations under the assigned agreement. Licensor must give Licensee reasonable prior notice of any assignment. As used in this item, affiliate means a legal entity that controls, is controlled by, or is under common control with Licensor.

14.9.2 If Licensee is reorganized such that certain operations or functions are transferred from Licensee to a different public procurement unit, then in connection with such reorganization, a Licensee may, upon written notice to Licensor, transfer licenses to another public procurement unit provided that the transferee is performing some substantially similar business and/or operational functions as the original Licensee. Both entities shall execute such paperwork as Licensor may reasonably require.

14.10 <u>Interpretation</u>. Any question of interpretation or construction shall not be resolved by any rule providing for interpretation or construction against the party who causes the uncertainty to exist or against the drafters of this Agreement.

14.11 <u>Headings</u>. The headings contained in this Agreement are for the purposes of convenience only and are not intended to define or limit the contents of this Agreement.

14.12 <u>Publicity</u>. Licensor agrees not to refer to Licensees in such a manner as to state or imply that either Licensor or its Software is endorsed or preferred by Licensee, the State of South Carolina, or any

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unit of either. The foregoing shall not prohibit the Licensor from identifying a Licensee as a customer in a customer list.

14.13 <u>Relationship Among Public Entities</u>. Each Licensee's obligations and liabilities are independent of every other Licensee's obligations and liabilities. Termination of one Licensee does not constitute grounds for termination of a different Licensee.

14.14 <u>Language of Agreement & Notices</u>. The language of this Agreement is English. If translated into another language, this English version of the Agreement shall be controlling. All notices required or permitted to be given hereunder shall be written in the English language.

14.15 <u>Survival of Obligations</u>. The Parties' rights and obligations which, by their nature, would continue beyond the termination, cancellation, rejection, or expiration of this Agreement shall survive such termination, cancellation, rejection, or expiration, including, but not limited to, the rights and obligations created by the following clauses: Intellectual Property Infringement, Limitation of Recovery, Audit, Bankruptcy, and General.

14.16 <u>Waiver & Modification</u>. No waiver of any default by either party shall act as a waiver of a subsequent or different default. The provisions of this Agreement and the Authorized EULAs may not be modified or waived except by another agreement in writing executed by an authorized representative of Licensee and an authorized representative of Licensor.

14.17 <u>Anti-Indemnification & Anti-Representation</u>. Any provision in the Authorized EULAs is void to the extent it imposes an obligation upon ITMO or a Licensee that would properly be characterized as an indemnity. Licensee makes no representations or warranties to Licensor, and any language to the contrary is void.

14.18 <u>Statute of Limitations</u>. Any provision in the Authorized EULAs is void to the extent that it modifies the statute of limitations or alters the time period within which an action must be brought.

14.19 <u>Non-appropriations</u>. Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefore. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be cancelled.

14.20 <u>Attorneys' Fees</u>. Except as otherwise provided in this Agreement, each party waives any claim it may have to recover attorneys' fees from any other party.

14.21 <u>Users</u>. A Licensee has no liability for any acts or omissions of any person that Licensee allows to use the Software, unless such acts or omissions are within the scope of that person's employment or have been properly authorized by Licensee.

14.22 <u>Privacy</u>. As used in this paragraph, the term 'data' means any information regarding any person or entity other than a Licensee that is gathered or acquired as a result of the Software licensed by Licensee being used. Except to the extent fully disclosed in writing (e.g., a privacy policy or the Documentation) prior to execution of this Agreement, Licensor represents that Software will not provide any entity other than Licensor with any data. Notwithstanding anything to the contrary, Licensor agrees (i) not to use or retain data for any purpose other than performing this contract, except to the extent that using or retaining state data is incidental to contract administration, such as financial, administrative, cost or pricing, and (ii) not to sell, trade, or release data. Upon request, Licensor shall provide written confirmation of compliance with this clause. Licensor agrees that Licensee has no adequate remedy at law for a violation of Licensor's obligations under this paragraph. Notwithstanding any other provision, Licensor's liability for breach of its obligation under this paragraph is without any limitation whatsoever. [09-9030-1]

--- end of Piggyback ---

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EXHIBIT B
SOFTWARE LIST

Attachment M. Software Table

	Name of Software Product	Name of Software Product's Licensor	Contractor licenses or sublicenses Software Product directly to State	Contractor resells or distributes Software Product
1				
2				
3				
4				
5				
6				
7				

[09-9035-1]

Attachment N. Detailed Requirements

Requirement Number	Requirement Description
1	**ADVANCED ANALYTICAL REQUIREMENTS**
1.1	The system must provide advanced statistical and non-rule based methods of analyzing program information, including, but not limited to, fraud, abuse and overpayment detection in order to improve the ability to detect existing as well as emerging patterns quickly. The Offeror's approach and solution must include, but not be limited to: • Ability to perform a wide range of statistical modeling; and • Ability to capture arbitrary, non-linear and linear relationships and complex interactions among data elements
1.2	The system must be able to perform automatic mathematical and statistical calculations in real-time, such as but not limited to, ratios and proportions, rates such as birth and mortality, variance, regressions, minimum and maximum values, correlations, standard deviation and error, confidence interval, mean, median, mode and ranges, descriptive statistics, exploratory data analysis, confirmatory data analysis including inferential statistics, data modeling and visualization for the effective and accurate analysis and presentation of information.
1.3	The system must be able to perform a variety of advanced analytics activities such as: pre-payment analysis, behavioral analysis, context, social networking analysis and risk scoring.
1.4	The system must perform predictive analytics to encompass a variety of statistical techniques from modeling, data learning, and data mining that analyze current and historical facts to make predictions about future, or other events.
2	**MAPPING**
2.1	The Offeror must propose GUI based easy to use GIS for all user levels.
2.2	The tool must provide authorized users the ability to build maps quickly and easily through the use of configurable applications and templates that do not require programming.
3	**ADMINISTRATIVE MANAGEMENT FUNCTIONS**
3.1	The BIS must include the ability to manage the system through administrator functions available in the application.
3.2	The system must be able to manage user access, accounts and sessions at the individual user level with the ability to add, change and delete/disable user accounts. The Offeror's response must describe in detail the capabilities of its proposed solution.

Requirement Number	Requirement Description
3.3	The system must be able to monitor, track and issue alerts regarding system performance & availability, including: • The system must be able to produce administrative reports • The system must include an Administrative Data Maintenance & Update with new and / or enhanced capability • The system must include the ability, with appropriate authorization, to update / delete both individual and batches of records, validated and with referential and transactional integrity, with logging and exception handling, once the data has been loaded into the warehouse. For example, the system administrator will occasionally require this capability to clean up incorrectly loaded data, or to apply updates, etc. • The BIS should be able to track system costs with regard to computer time, disk storage, tape handling and storage, etc.
4	**THE DECISION SUPPORT SYSTEM (DSS)**
4.1	The DSS must allow varied levels of query complexity for concurrent users while maintaining appropriate response time.
4.2	The DSS must have a built-in library of automatically calculated measures of experience such as sums, rates, ratios, and other computations, and the ability to apply (or remove) them as unique objects on reports. These measures should be relevant to Medicaid and other health care programs and should include frequently needed measures in all of the following categories: **Utilization, Cost, Quality of Care, Outcomes, Prevention, Access to Care, Eligibility, and Administrative Performance.** These measure objects should include, but not be limited to, the following:
4.2.1	**Utilization** • Claims paid, claims non-paid, count of unique claims • Days, Length of Stay • Days Supply Rx • Emergency Room utilization analysis • Inpatient admissions per thousand members • Patient count, patient count unique • Provider count unique, providers enrolled • Record count • Scripts, scripts per member per year, scripts per member per month • Service count, services per member, patient, provider • Units facility, Units Professional, Units Facility and Professional Combined • Visits

Requirement Number	Requirement Description
4.2.2	**Cost** • Allowed amount, charge, and net pay by admission • Allowed amount, charge submitted, copayments • Medicare amount paid • Net payment facility claims, net payment professional claims, net payment drug claims, net payment facility + professional + drug • Non-claim payments (including admin fees, capitation amount, premium, gross-level adjustments) • Payments per member per month • Payments per patient (unduplicated) • (Prescription drugs) percentage of payments made at Maximum Allowable Cost (MAC) or Federal Upper Limit (FUL), by therapeutic class • (Prescription drugs) percentage of payments made for DAW (dispense as written) prescriptions, by brand name • (Prescription drugs) percentage of payments made for generic compared to brand name drugs • Third party paid amount • Total fee-for-service amount paid (claims paid + non-claim financials) • Total managed care amount paid (amount paid by the MCO plan to the provider)
4.2.3	**Quality of Care** • Disease prevalence measures (diabetes, asthma, etc.) • Incidence of complicating conditions • Number of services by episode
4.2.4	**Outcomes** • Admission rate by condition (asthma, coronary artery disease, etc.) • Average length of stay by inpatient admission • Analysis of present on admission diagnosis codes based on Medicare standards of ―Never Events
4.2.5	**Prevention** • EPSDT services, actual as a percentage of expected, by age group • Preventive screening rates for adults in high-risk categories
4.2.6	**Access to Care** • Number of patients, by provider, by specialty • Emergency room visit rate
4.2.7	**Eligibility** • Members (unique count), member months, and average members • Monthly summary of actions by caseworkers • Caseloads by worker, county and regions • Processing times for eligibility decisions • Pending Applications

Requirement Number	Requirement Description
4.2.8	**Administrative Performance** • Number of days from the claim receipt date to the claim paid date • Number of days from the service date to the bill receipt date • Percentage of claims that were denied, by claim type and average cycle time by claim type • Percentage of claims submitted by submission type, e.g., Web Tool, paper claim, and electronic.
4.3	The system should provide on-line national and regional norms/libraries. For example: a medical grouper and benchmarks that can be flexibly applied to any report. Built-in norms, groupers and benchmarks for Medicaid populations are required.
4.4	The user should be able to automatically adjust norms, including the Medicaid norms, to fit the age-gender and case-mix of the State's population. Norms based on inpatient experience must be able to be adjusted by severity of illness.
4.5	The system should provide a methodology and generate reports to classify treatment modalities into member peer group categories, by diagnosis or range of diagnosis codes.
4.6	The user must be able to create a user-defined norm on any subset in the database and to create internal norms and benchmarks based either on data available in the DSS/SURS database or on externally-defined targets, goals, and benchmarks.
4.7	The system must allow the user to easily link/join records across tables by automatically identifying primary table keys while also automatically identifying and including all similar data fields across tables. The advanced user must have the flexibility to link tables by any data column available within the table. The system must: • define the study population and then link in all other claims for the same patients (e.g., identify all patients with diabetes and then report on % with hemoglobin test); • link claims based on a time window around a tracer event such as an ER visit or delivery (e.g., link in all claims for a patient nine months prior to a delivery in order to study prenatal care); and • link all services to a member regardless of changes in the member's coverage period, plan type, or eligibility category • minimize the conditions upon which a user must link tables and/or similar data across multiple tables to achieve analytic results • perform one to many matches • normalize like data across tables.

Requirement Number	Requirement Description
4.8	Business reporting capabilities for the DSS must include a wide array of detailed, pre-defined, customizable reports or report frameworks that address the following topics and types of analysis (as examples), which are appropriate for Medicaid. These reports should be available across any and all programs, service types, eligibility categories, provider types, and multiple geographic and demographic categories.
4.9	The DSS must support the production of comparative reports using identical measures of experience across all programs, including managed care and Fee For Service (FFS), and among plans within managed care, without creating multiple databases and reports.
4.10	The system must have the ability to produce multi-dimensional trend reports descriptive reports, variance reports, benchmark reports and flexible, ad hoc reports across business functions based on any period of data in using a single integrated system, which meet SCDHHS reporting needs.
4.11	The DSS must support consistency of reporting across all business units, while giving individual users a significant degree of reporting flexibility, including the ability to determine the frequency of report production.
4.12	The system must have the capability to produce financial and utilization reports, including a cost driver report that highlights the reasons for major cost increases and decreases. The system must have standard yet customizable measures of financial experience such as submitted charge, allowed amount, net payment, capitation payment, total cost of coverage, cost per eligible, cost per member, cost per member per month, cost per 1,000, and other population-based rates and measures.
4.13	The system must be able to analyze the cause and effect of potential policy changes in all areas of Medicaid.
4.14	There must be measures for analyzing member cost-sharing arrangements and calculating total cost of care including capitation payments, Medicare Buy-In coverage, and premium subsidies for waiver purposes. There must be built-in capabilities to produce complex, multi-dimensional trend reports, descriptive reports, variance reports, and benchmark reports based on any period of data in the database.
4.15	The system must automatically calculate claim completion factors that support the analysis of incurred but not reported (IBNR) liability. The capability should support the calculation of claim lag factors by claim type and allow the completion methodology to be customized to meet the agency's unique experience by claim type.
4.16	The DSS must have the capability to allow the user to elect whether to adjust or complete incurred-date data on any report on-line, to create a more accurate picture of near-term experience.

Requirement Number	Requirement Description
4.17	The system must provide a standard population-based risk adjustment methodology that allows the user to run reports that compare the performance of the provider on a comparable basis for more accurate identification of provider outliers. The system must provide built-in, customizable measures of performance in order to identify utilization anomalies by the total cost, use, and quality of care for all the services for assigned patients through their encounter and FFS claims.
4.18	The system must profile primary case managers, including all referrals and other services received by their enrollees.
4.19	The system must provide the ability to identify statistically significant deviation (alpha level = .05) from peer group experience on individual profiling measures including clinical measures, e.g., to profile only providers who saw at least a user-defined minimum number of patients in a certain period.
4.20	The system must provide for rules-based editable algorithms with storage and retrieval capacities and control files compiled from user-defined combinations of fields, subsets, measures, time periods and dimensions.
4.21	The system must be able to identify providers who are "best practice" examples from the perspective of quality of care and treatment protocols, to assist in quality improvement efforts.
4.22	The DSS must allow for construction of episodes linking all related claims to that episode. Episode construction may include, but may not be limited to, inpatient and outpatient episodes.
4.23	The system must allow online reference for validation of data used in a query or to define criteria for summary items including wildcard search capability. (e.g., Member number, CPT, ICD-9, ICD-10, etc.)
4.24	The system must include runtime and resource utilization statistics for each report request submitted.
4.25	The DSS must include assignment of Diagnosis Related Group (DRG) codes and Major Diagnostic Category (MDC) codes to all inpatient cases. This must be cross-walked with the grouper that SCDHHS uses at all times.
4.26	The system must include assignment of outpatient classifications (e.g., MDCs, treatment groups, procedure groupings).
4.27	The system must provide data considerations on many and various factors including but not limited to age, sex and case-mix in order to create appropriate groups for comparative analysis.
4.28	The system must include automatic integration of eligibility and claims data for purposes of rate calculations, including but not limited to, tracking per capita cost, assigning risk scores to populations, etc.
4.29	Database updates must include the reconciliation and reconstruction of all cases (assignment of MDCs, episodes of care, updating of all normative data, and so on).

Requirement Number	Requirement Description
4.30	The DSS must include modeling and trend analysis capabilities for purposes of including but not limited to: • Provider performance profiling • Rate comparisons/rate setting • Projecting the effects of various proposed policy changes on claims processing, budget, quality of care; • Predictive modeling capability to identify patients who are predicted to have high costs in the future; and • Generate a current risk score that can be used to risk adjust in profiling applications.
4.31	SCDHHS will be providing data extracts in separate files by claim type to the Contractor, in addition to provider, reference file, member and third party liability data extracts. The DSS must be capable of reporting results across all claim types by the criteria requested. For example, if a query requests information for all paid claim and non-paid claims where the diagnosis is asthma-related, it must report all claims that are assigned that diagnosis code regardless of claim type (UB92, CMS-1500, etc.).
4.32	The system must have the capability to produce a summary record for all inpatient claims that constitute an admission and must be integrated in the system. It must provide summary cost and use information for all facility and professional services within an admission.
4.33	The system must have the ability to calculate HEDIS-like measures for both the managed care or FFS population and the ability to modify those HEDIS-like measures to accommodate State-specific performance measures, with minimal programming effort must be integrated in the system.
4.34	The system must have the ability to report episodes of care based on diagnosis code, for understanding the total picture of healthcare delivered by multiple providers across defined spells of illness or disease, which stratifies the episodes by severity of illness and identifies the provider who is acting as the manager of care. The system must be able to integrate these episodes to provide summary cost and use information for all services within the episode (facility, professional, and drug), and to support the study of disease progression.
4.35	The system must have the ability to generate disease management reports for evaluating the potential for and performance of disease management programs. The system must be able to identify patients with acute and chronic diseases and to supplement patient identification with inclusion and exclusion lists (e.g., to allow a user to modify a disease study group to include patients who have qualified through clinical assessments or disease registries).
4.36	The system must provide a means to forecast in areas such as budgeting, expenditures, utilization, and disease prevalence.
4.37	The system must provide a means to track and status providers, claims or other entities for status.

Requirement Number	Requirement Description
4.38	The system must be able to provide/accept additional data files in a variety of formats from disparate sources/systems as and when requested.
4.39	The system must allow users to record and reuse algorithm steps and enable users to nest scripted algorithms. Additionally, the system must allow users to set parameters and run multiple iterations of algorithms based on a table of values.
5	**FEATURES OF SURS AND FRAUD & ABUSE DETECTION CAPABILITIES** The objective of SURS is to improve the delivery of health care services and the integrity of the Medicaid program by reducing waste, fraud, abuse and overpayments, in both FFS and managed care environments, through analysis of provider performance and member utilization.
5.1	The system must have capabilities for fraud detection and investigation that provide multi-dimensional, flexible, ad hoc and standard reports using a single integrated system.
5.2	The Contractor must create custom measures and dimensions at build time and upon each update including but not limited to the following: • Last Claim Indicator • Units of Service • Age • Claim Control Number and Line Combination • Paid Date • Federal Fiscal Year and quarter based on Paid Date and Date of Service • State Fiscal Year and quarter based on Paid Date and Date of Service • Calendar Fiscal Year and quarter based on Paid Date and Date of Service • Lag Time • Service Day of Week • Enter Day of Week • Tooth Quadrant • Receipt Date
5.3	The Contractor must tag SCDHHS-specified data elements to base tables, for user convenience, at build time and upon each update.
5.4	The Contractor must provide SCDHHS advanced users the ability to tag specified data elements from any table, whether base tables or user imported tables.
5.5	The Contractor must have a method for preserving user tables created by an advanced user until such time as the advanced user no longer requires those tables.
5.6	The system must provide extensive capabilities for allowing the user to create, modify and produce, at will, provider and member profiles that compare providers to standard or user-defined peer groups, and to identify outliers on the basis of user-selected parameters.

Requirement Number	Requirement Description
5.7	The system must provide the capability to automatically create exception flags and user alerts as a result of exception reporting.
5.8	The Contractor must develop a comprehensive statistical profile of health care delivery and utilization patterns established by providers and members. Statistical profiling must allow flexibility when defining peer groups.
5.9	The Contractor must provide information that reveals and facilitates investigation of potential deficiencies in the level of care and quality of service provided under the Medicaid program.
5.10	By means of computerized exception processing techniques, the system must provide the ability to perform analyses and produce reports responsive to the changing needs of Title XIX managers, SCDHHS' contracted Quality Improvement Organization (QIO), and State Medicaid fraud control units.
5.11	The system must be able to target member fraud, abuse and overpayment (e.g., drug shopping, medical card lending) with detection and cost avoidance features.
5.12	At least seven (7) years of paid claims and three (3) years of denied and rejected claims must be available for use in exception processing.
5.13	The system must provide the capability to perform focused reviews and comparisons in combination and/or across different plan types (fee for service, MCO, MHN).
5.14	The system must provide the capability to access, integrate and report data for all data elements from multiple files as required by this section.
5.15	The system must automatically generate early warning reports of high cost services and service mis-utilization based on current payment data to quickly identify high-volume practices.
5.16	The Offeror must describe its ability to perform the following types of report analysis. These analyses must be capable of focusing on FFS data, encounter data or the combination of FFS and encounter data. The Offeror must also state whether the proposed BIS system is flexible enough for a trained non-programmer to define and execute the following reports or whether programmer level staffing is recommended. It is the desire of SCDHHS to be able to execute various types of report scenarios within the SURS environment without the need for programming, such as but not limited to, the following methodologies: • Identify claims paid for the same inpatient hospital episode of care by the same provider to the same member. • Determine when a patient has two inpatient claims to the same provider within thirty days (time periods must be user definable and flexible enough for use across all claim types) for a discharge for the same DRG. • Determine multiple inpatient hospital claims where the services were performed by the same provider and had overlapping service dates.

Requirement Number	Requirement Description
5.17	The Offeror must have a robust library of algorithms dedicated to the detection of waste, fraud and abuse. These algorithms must be available through the BIS and modifiable by the user. The Offeror must describe each algorithm it will immediately make available under this contract. Any additional algorithms developed by the Offeror related to waste, fraud and abuse shall be incorporated into the BIS without additional charge.
5.18	The proposed solution must include the ability to select a statistically valid random sample from a user-defined universe, according to specific data criteria. The sampling capability must enable users to select the sample by any combination of available data elements including, but not limited to, a combinational unique record identifier key comprised of claim control number and line number or seed number.
5.19	The proposed solution must include the ability to get back to the original sample data, generate an adequate seed number and provide a sample size calculator.
6	**MANAGEMENT AND ADMINISTRATIVE REPORTING SUBSYSTEM (MARS) REQUIREMENTS**
6.1	The MARS provides SCDHHS management staff with reporting capability in the key areas of Medicaid program activity. These management reports support policy planning, program evaluation and decision-making, fiscal planning and control, federal, state, and local reporting, operational planning and control. The MARS Subsystem must be CMS certified and meet all the functional requirements as specified in the CMS State Medicaid Manual Part 11. The MARS must also meet the following functional requirements:
6.1.1	Report information to assist management in fiscal planning and control.
6.1.2	Provide information required in the review and development of medical assistance policy and regulations.
6.1.3	Monitor the progress of claims processing activity and provide summary reports which reflect the current status of payments.
6.1.4	Review provider performance to determine the adequacy and extent of participation and service delivery.
6.1.5	Produce program data necessary to satisfy Federal Medicaid reporting requirements, e.g., those contained in §2700.
6.1.6	Ability to perform various financial function including: • Cost benefit analysis • Trend analysis • Break-even calculations • Forecasting
6.1.7	Reporting and analysis by various criteria, including fund sources, categories of service and eligibility, provider types and other required categories
6.1.8	Provide individual EOB notices, within 45 days of the payment of claims, to all or a sample group of members who received services under the plan as described in §11210.

Requirement Number	Requirement Description
6.1.9	Present geographic analysis of expenditures and member participation.
6.1.10	Provide information to support State and Federal program initiatives and reporting requirements.
6.1.11	The MARS reporting period should include two complete fiscal years of information.
6.1.12	Reporting must include the flexibility to report on multiple dimensions and measures, based on any data element in the BIS.
6.2	The Contractor must develop within the BIS predefined and production ready reports, based on the functional requirements as listed above, that can be produced by SCDHHS on a regular or as needed basis. For a list of required reports, refer to Attachment P of this RFP.
6.3	The Offeror must propose a solution to record for each report and other output the purpose, heading, content, sequence, significant totals, number of copies, distribution, frequency of preparation, volume of lines, security, retention and regulatory requirements.
7	**DATA VERIFICATION AND QUALITY ASSURANCE** SCDHHS will provide data that meet standards as outlined in section 3.18.1 from various systems including, but not limited to: - Legacy MMIS mainframe - Replacement MMIS systems - Legacy Medicaid Eligibility Determination System - Replacement Eligibility and Enrollment system - OnBase systems
7.1	The Contractor must be able to fully automate and be responsible for the accessing and loading of data, which would include the following:
7.1.1	The ability to setup, maintain and operate transformational rules for:
7.1.2	Scrubbing and quality-checking in-bound data
7.1.3	Creation of meta-data and other summarization, categorization, and algorithm based calculated information needed for the application functions of the data warehouse
7.1.4	The ability to match and unduplicated Source Data from multiple sources
7.1.5	Translation from Source Data formats to the formats required in the BIS.
7.1.6	Automated control procedures throughout processing to ensure system and data integrity
7.1.7	Robust exception handling capabilities
7.1.8	A data staging implementation strategy
7.2	The Contractor must develop specific approaches, including tactics and any required utilities (i.e., third party software or hardware elements to supplement the base functionality) to address common data integrity problems.
7.3	For each monthly match conducted, the Contractor shall establish and maintain an exception table with version history for further analysis and reporting by SCDHHS staff.
8	**QUALITY ASSURANCE REQUIREMENTS**

Requirement Number	Requirement Description
8.1	The Offeror's proposed systems and services must be accepted as complete and satisfactory by SCDHHS before the BIS will be considered live. To this end, the Offeror must propose qualified staff to fulfill the Quality Assurance (QA) requirements and describe the roles and responsibilities of the proposed QA staff.
8.2	The Contractor must develop a Quality Assurance Plan that provides an early warning system that identifies the likelihood that any deliverable or milestone may not be completed on schedule or at a satisfactory level of quality during implementation and on an ongoing basis.
8.3	Offeror responses must include a description of the elements of the QA Plan including,: • Identification of key milestones, • deliverables, • Checkpoints where clear measurements will be taken to assure SCDHHS that the project is proceeding according to schedule
8.4	The Offeror must show an example of a high level, presentable summary that demonstrates current quality measures, suitable for use in presenting QA related information and status to agency managers and executives regarding implementation and ongoing activities.
8.5	Offeror responses must include a description of the methodology with examples of specific quality assurance tactics including, but not limited to: • Ensuring that user requirements and expectations are aligned with project deliverables early and throughout the life of the project • Adoption of new and/or emerging technologies • Testing and verification throughout the product life cycle • The activities, documents and measurements that will be used to monitor quality.
8.6	Adapting the approach and methodology as necessary in partnership with SCDHHS for ongoing projects and activities, including: • Validation of the accuracy of complex queries and algorithms • Validation of the programmatic and clinical integrity of new fraud, abuse and overpayment algorithms.
9	**SECURITY ACCESS CONTROL SERVICES**
9.1	The Offeror's proposal must specify in detail the proposed approach and solution to these requirements, including:
9.1.1	Specifications that meet or exceed the minimum requirements of the CMS Internet Security Policy (see www.hcfa.gov/security/isecplcy.htm) or HIPAA, whichever is the more stringent.
9.1.2	Ability to authenticate a user by requiring a valid user ID and passwords
9.1.3	Ability to validate password according to an edit mask; e.g., may require a combination of alpha, numeric, and symbol characters
9.1.4	Ability to control individual users' access to information in the BIS.

Requirement Number	Requirement Description
9.1.5	Ability to automatically terminate a user session, after a defined time-out period, or based on inactivity
9.2	The Contractor must provide system support required to service lockout and timeout users; and provide security and access control for each of the major components of physical platform; e.g., application servers, database servers, etc., as applicable.
10	**REPOSITORY & DATA SOURCE REQUIREMENTS**
10.1	The Contractor must provide the BIS repository, including providing for up to seven years of detailed historical records, summary and meta-data to support all application functions, and providing capacity for the required users / usage. The inputs to the BIS are data from SCDHHS information systems and other sources, providing the Medicaid related data.
11	**PAYMENT ERROR RATE MEASUREMENT (PERM)** The South Carolina Medicaid program is required to comply with the federal Payment Error Rate Measurement (PERM) program. South Carolina's first year of participation in PERM was federal fiscal year 2007, and subsequently has participated in 2010, 2013, and will participate in Federal Fiscal Year 2016. It should be noted that the CMS requirements are based on 2009 PERM projects and may be changed.
11.1	The Contractor will assist SCDHHS in meeting CMS requirements for providing Medicaid and CHIP claims data records information to participating CMS and State contractors for the PERM claim universe and samples.
11.2	The Contractor will ensure that all CMS specifications for the provision of claims data are met.
11.3	The Contractor must participate in meetings and telephone calls with CMS and the PERM contractor as needed to determine how the SC PERM universe data should be extracted and reported.
11.4	The PERM universe data must be divided into four program areas: Medicaid FFS; CHIP FFS; Medicaid managed care; and CHIP managed care, and must be categorized based on the date the claim was paid (adjudicated). The managed care claims extracted for the PERM universe files must be properly delineated according to PERM specifications and include all adjudicated capitation payments originally paid or denied for payment.
11.5	For payments not processed through the MMIS but that must be included with the PERM universe submission, the Contractor must work with SCDHHS to obtain this information.
11.6	If required by CMS, the Contractor will select a quarterly, random sample of paid and denied claims from the universe in accordance to CMS sample size and other sampling specifications.
11.7	The Contractor will be responsible for quality control activities to ensure the completeness and accuracy of claims information submitted to CMS for PERM.

Requirement Number	Requirement Description
11.8	The Contractor must ensure that all SC Medicaid and CHIP data needed for PERM is provided to CMS and/or PERM contractors on encrypted through secure methods, as specified by CMS. For PERM 2013, the universe and the sample details were uploaded to a secure website.
11.9	The Contractor must adhere to standard data submission layouts provided by CMS or the PERM Contractor, and must meet all PERM data submission timelines and due dates as specified by CMS.
12	**TRASNFORMED MEDICAID STATISTICAL INFORMATION SYSTEM (T-MSIS)**
12.1	T-MSIS is a CMS requirement necessitating an expansion of the existing MSIS extract process, it is a natural extension of BIS. The Contractor shall meet the T-MSIS federal requirements as well as allowing for ad hoc modifications as required by CMS.
12.2	The Contractor shall provide eight (8) monthly extracts, as well as work with CMS to review and correct any data quality issues. The Contractor will provide extracts for eligibility, claims (including inpatient, long term care, outpatient, and pharmacy), third party liability, provider, and managed care plan. The Contractor shall work with SCDHHS to evaluate any new or missing data elements once the data dictionary is finalized.
12.3	The Contractor shall work with CMS (or its designated vendors) to validate and document file transmission requirements. The Contractor shall update and maintain the specifications over the life of the contract and develop and apply data quality and validity checks for the output file, incorporating the appropriate business rules. The Contractor shall establish processes for submission that build in control totals and checks to assure complete delivery.
12.4	The Contractor shall attend CMS teleconferences to understand requirements, assist in defining submission criteria, and identity questions and/or issues.
12.5	The Contractor shall work with SCDHHS, CMS, and the current MMIS vendor (if needed) to develop mapping documents that capture the data accurately and meet CMS requirements to support consistent reporting across states.
13	**HELP DESK**
13.1	The Contractor must provide toll free help desk services. The number and qualifications of help desk representatives must be sufficient to help resolve all applicable problems and requests for assistance within the timeframes documented elsewhere in this RFP.
13.2	The Contractor must provide the ability for end users to notify and communicate with help desk staff regarding problems and other support needs verbally, by phone, by email, by web application, or otherwise in writing, with an auditable process that logs and permits referencing such notifications and communications.
13.3	The Contractor must provide the ability for end-users to report and research BIS problems, either by phone to a help desk staff person, or by an on-line resource.

Requirement Number	Requirement Description
13.4	The Contractor must provide a help desk database and application that includes the following: • All system and user error messages, the area of the system that generated the error and other areas where the same error is also generated • All non-systematic problems or frequently asked questions • Required or recommended corrective measures to each error or problem, including workflow diagrams where appropriate • Expected Contractor response and resolution times for each error or problem • The ability to cross index, key word search, or otherwise provide flexible ways of finding information about errors and other problems.
13.5	The Contractor shall include the Help Desk functionality in its Quality Assurance program to sample calls and follow up calls to confirm the quality of responses, and caller satisfaction.
13.6	The Contractor is must report on the outcomes of the Quality Assurance program, and conduct any training required to maintain the highest level of quality.

Attachment O. Performance-Based Requirements Table

Desired Outcomes	Required Services	Performance Standard	Acceptable Quality Level	Monitoring Method	Liquidated Damage
System Availability must be provided as would be expected with a mission-critical application.	Perform Analysis and provide results to SCDHHS during the time system was unavailable for use.	Scheduled system maintenance downtime shall not be factored into the availability of the system. External disasters that cause general loss of operational capability shall not be factored into the availability of the system.	The BIS must be available to end users twenty-four (24) hours a day, seven days a week, with the exception of scheduled, State-approved system maintenance downtime during which services must be operationally available a minimum of 99.50% of the time with a goal of 99.99% of the time, as measured over a one calendar month time span.	Report of system downtime, and user identified outages as a percentage of total available	**$5,000** if system available <99.5% and ≥99.0% of the time **$7,500** if system available <99.0% and ≥98.0% of the time **$12,500** if system available <98.0% and ≥97.0% of the time **$20,000** if system available <97.0% and ≥98.0% of the time **$30,000** if system available <96.0% of the time
		Provide analysis on the downtime on a monthly basis	Electronic submission is made by the fifth business day of the subsequent month.	Date of receipt of analysis	$500 per business day, or partial day, that report is past deadline
Data Load Failures	Provide system to monitor, alert, and reconcile in the case of data load failures	Vendor must be able to accept large pay loads, provide log of failures, and reconcile load failures	Total less than .1% failure rate in any one calendar month period	Daily log reports (for business days only); Monthly rollup report	$1,000 for each 1/10 of one percent, (.1%) and fraction of, failure rate above .1%; with a maximum damage of $10,000.
		Reported on a daily and monthly basis	For daily log reports, electronic submission is made on the following business day by 9 am. For monthly reports, electronic submission is made by the fifth business day of the subsequent month.	Date and time of receipt of analysis	$500 per business day, or partial business day, that a report is past deadline

Desired Outcomes	Required Services	Performance Standard	Acceptable Quality Level	Monitoring Method	Liquidated Damage
Dependable and timely Help Desk Response times	Provide analysis on the performance and efficiency of Help desk Services	All submissions are included in this measurement. This measurement is on a day to day timeframe.	The Offeror must provide sufficient staff, facilities, and technology such that one hundred percent (100%) of all submissions received via phone and electronic submission are managed according to standards in the Problem Classification Table.	Vendor must produce a Help Desk performance report	$500 per incident that does not receive a response in accordance with the Problem Classification table
		All submissions are included in this measurement. This measurement is on a day to day timeframe	Vendor must produce a Help Desk performance report every week for the previous week by noon on the 2nd business day of the following week	Date of receipt of analysis	$500 per business day or partial business day that report is past the deadline
Prompt Reporting of BIS Changes	Provide timely communication of changes made to the operation of the BIS system	Vendor must communicate all changes to the operation of the BIS	The Vendor must supply satisfactory evidence to SCDHHS that the changes were completed within performance standards. Common documents requiring ongoing updates include, but are not limited to, the following as applicable: training manuals, user manuals, data dictionary, system flowcharts and data flow diagrams.	Any changes made to the operation of the BIS system must be documented by the vendor within ten (10) business days.	$500 per incidence of failure to report a change
		Report as changes are made to operation of BIS	Submission of report or modified documents within ten (10) business days of changes made to the BIS	Date of change compared against date of receipt of report	$50 per business day, or partial business day, per applicable document

Desired Outcomes	Required Services	Performance Standard	Acceptable Quality Level	Monitoring Method	Liquidated Damage
Development of SUR reports within specified timeframe	Provide specified SUR reports on required timetable beginning on the Actual Operations Start Date	Vendor must provide all SUR reports requested beginning on the Actual Operations Start Date	Specified SUR reports must be developed by the vendor and made available on the required timetable beginning on the Actual Operations Start Date	Vendor must make specified SUR reports available in the BIS and ensure that they are operable	$2,000 per business day, or partial business day, each report is late.
Dependable Disaster Recovery Capabilities	Provide Disaster Recovery capabilities	All system data to include data warehouse and information saved in user libraries are to be recoverable.	The Offeror must demonstrate a disaster recovery capability no less than every calendar year that meets an approved disaster recovery plan.	Vendor must produce a comprehensive disaster recovery report	$10,000 for failure to demonstrate disaster recovery capability in indicated time frame
		All system data to include data warehouse and information saved in user libraries	Submission of disaster recovery report by February 1 of subsequent year	Date of receipt of analysis	$500 per business day, or partial business day, that report is past deadline

Problem management focuses on SCDHHS' expectations for the Vendor's response to problems that occur with the normal operations and functions of the BIS Warehouse and User tools. Problem management is driven by the level or severity assigned to each problem. The Vendor will be charged $500 in liquidated damages for each incident that does not receive a response in accordance with the Problem Classification table.

Problem Classification			
Severity Level/Description	Definitions	Requirement	Target Response Time
Priority 1 / Catastrophic	The ability to conduct analysis of service that the customer has stopped, or data integrity problems exist. Examples: database down, application down, data exposure resulting from system or implementation defect, etc. Catastrophic severity also applies to loss of service by a single advanced user considered critical to their area (SCDHHS will provide a list of such individuals).	• The Contractor must provide instant response 24/7, and in the case of catastrophic severity issues, must pursue problem resolution on a 24/7 basis until resolved • The Contractor-designated problem manager must serve as the contact point for communications with designated SCDHHS staff • The Contractor-designated problem manager will provide a status update to the designated SCDHHS staff on an hourly basis.	Response Time: 15 minutes Resolution/Update Time: 1 hour

Problem Classification			
Severity Level/Description	Definitions	Requirement	Target Response Time
Priority 2 / Severe	Service is seriously degraded but can continue its operation in production via a workaround or incremental resource for a short period of time before analysis stops. A problem also will be considered severe if a commonly used feature often generates application errors, causes the software to freeze, locks up the computer on which the software is running; introduces significant risk to the data confidentiality, integrity or availability or otherwise routinely does not work as intended. Classification of a problem as severe rather than catastrophic assumes SCDHHS still can conduct business with the software. As with the catastrophic classification, the severe classification assumes there is no existing patch or acceptable workaround procedure for the problem. Examples: Extremely slow system performance, a piece of application functionality is down or produces erroneous results.	• The Contractor must provide business support from 8am to 8pm Eastern Monday through Friday (excluding holidays) and in the case of severe issues, must pursue problem resolution during those hours until the problem is resolved • The Contractor-designated problem manager must serve as the contact point for communications with the designated SCDHHS staff • The Contractor-designated problem manager will provide a status update to the designated SCDHHS staff once every two (2) hours.	Response Time: 15 minutes Resolution/Update Time: 2 hours
Problem Classification			
Severity Level/Description	Definitions	Requirement	Target Response Time
Priority 3 / Ordinary	The underlying problem is a question on end use or configuration of the software. It also may be classified as ordinary when the problem does not materially restrict SCDHHS's use of the software in its production environment, such as when a feature or combination of features generates minor or rare errors. Also, if any problem that otherwise should be classified as severe or major can be solved either by a known workaround or an existing patch, the problem may be treated as ordinary.	• The Contractor must pursue problem resolution continually during regular SCDHHS business hours until the problem is resolved. • The Contractor-designated problem manager will provide a written summary and resolution to the designated SCDHHS staff when the problem is resolved.	Response Time: 1 hour Resolution / Update Time: 24 hours (one business day)

Problem Classification			
Severity Level/Description	Definitions	Requirement	Target Response Time
Priority 4 / Requests	Any call from single users or site groups that are requesting a new service or some clarification. Examples: Requesting a new user logon, access to a new view or table, or the meaning of a system message.	• The Contractor must address the request during regular SCDHHS business hours until the request is completed • The Contractor-designated problem manager will provide a written summary of the request status to the designated SCDHHS staff when the request is implemented through a weekly status report.	Response Time: 2 hours Resolution / Update Time: 3 business days

Attachment P. Required Contractor-Generated Reports

Number	Report Type	Area	Report Title	Report Description	Frequency
1	Federal	CMS	CMS 372: COMMUNITY CHOICES WAIVER ANNUAL REPORT	Community Choices (CLTC)	Annual
2	Federal	CMS	CMS 372: COMMUNITY SUPPORTS WAIVER ANNUAL REPORT	Community Supports (CS)	Annual
3	Federal	CMS	CMS 372: HASCI WAIVER ANNUAL REPORT	Head and Spinal Cord Injury (HASCI)	Annual
4	Federal	CMS	CMS 372: HIV WAIVER ANNUAL REPORT	HIV/AIDS (AID)	Annual
5	Federal	CMS	CMS 372: MEDICALLY COMPLEX CHILDREN WAIVER ANNUAL REPORT	Medically Complex Children's Waiver (MCC)	Annual
6	Federal	CMS	CMS 372: MRDD WAIVER ANNUAL REPORT	Mental Retardation and Related Disabilities (IDRD)	Annual
7	Federal	CMS	CMS 372: PDD WAIVER ANNUAL REPORT	Pervasive Developmental Disorder	Annual
8	Federal	CMS	CMS 372: VENT WAIVER ANNUAL REPORT	Mechanical Ventilation Dependent (VENT)	Annual
9	Federal	CMS	CMS 416 (Interim)	Review of EPSDT services	Annual
10	Federal	CMS	CMS 416: EPSDT PARTICIPATION REPORT	Review of EPSDT services	Annual
11	Federal	CMS	CMS 64: CHIP ELIGIBILITY (64.21E)	CMS 64: CHIP ELIGIBILITY (64.21E)	Annual
12	Federal	CMS	CMS 64: CHIPRA (SEDS)	Review of enrollment trends for children's component of CMS 64	Quarterly
13	Federal	CMS	CMS 64: Enroll	Trend enrollment by month and aid category groups	Quarterly
14	Federal	CMS	MARS Reports	Monthly Summary reports according to CMS certification	Monthly
15	Federal	Medicaid	CARTS Report	Eligibility Tables 2 and 3	Annual

Number	Report Type	Area	Report Title	Report Description	Frequency
16	Federal	OIG	OIG Extracts	Quarterly extracts of FFS claims, managed care encounters, financial records	Quarterly
17	Program Integrity Algorithm	Program Integrity	Behavioral Health Dashboard (along with Excessive Units of Health and Behavioral Health Intervention)	This recipient-based algorithm focuses on behavioral health services that should not be billed more than once per day, twice per day, or not billed during inpatient stays, services billed by more than 1 provider within a month. The health & behavioral intervention service component of this algorithm identifies providers billing for excessive units of health & behavior intervention services with a diagnosis of unspecified encephalopathy. In particular, 1 NHCAA organization identified 15 with nearly 20,000 units of the services in a 12 month incurred period.	One time
18	Program Integrity Algorithm	Program Integrity	Bilateral Procedure Claims	Identify all bilateral procedure claims that are billed with a modifier 50 (50 is incorrect).	One time
19	Program Integrity Algorithm	Program Integrity	Critical Care Dashboard	This algorithm identifies providers and patients with questionable critical care claims which may be indicative of double-billing, billing services not rendered, or upcoding.	One time
20	Program Integrity Algorithm	Program Integrity	Dental Dashboard	Identifies outliers based on eight metrics: • Paid / Patient (all services) • Svc / Patient (all services) • Paid / Service (all services) • % pediatric patients with 1 or more "baby" teeth extracted • Average number of teeth extracted at one time • % children with pulpotomies (root canal, except on baby teeth) on baby teeth • % patients of pulpotomies on adult teeth • % patients with root canal on adult teeth	One time
21	Program Integrity Algorithm	Program Integrity	DME Providers with Repetitive Billing Patterns	DME Providers with Repetitive Billing Patterns	One time

Number	Report Type	Area	Report Title	Report Description	Frequency
22	Program Integrity Algorithm	Program Integrity	Hospice Dashboard	This algorithm builds episodes out of hospice claims in order to identify patients with multiple episodes, patients and/or episodes with multiple hospice agencies, episodes of excessive length, overlapping hospice claims within episode, etc.	One time
23	Program Integrity Algorithm	Program Integrity	Inappropriate claims during hospice period	The purpose of this algorithm is to identify improper or potentially fraudulent billing of outpatient services (e.g., ambulance, lab, diagnostics, x-rays, etc.) or prescription drugs provided to patients during hospice periods. Payments for these services may duplicate payments that may have been included in the hospice agency payment.	One time
24	Program Integrity Algorithm	Program Integrity	Lab Panel Unbundling – Physician	Review Lab Panels vs. unbundled lab tests. If lab panels were unbundled, determine the potential overpayments in $. Identifies labs billing comprehensive lab panels and also separately billing their components for the same person on the same date of service. Includes professional claims for nine panels including basic metabolic, general health, electrolyte, comprehensive metabolic, obstetric, lipid, renal function, acute hepatitis, and hepatic function.	One time
25	Program Integrity Algorithm	Program Integrity	Minimum Data Set (MDS) Data	The primary goal for this project is to identify areas in which services for nursing home residents are being billed but not supplied or not medically necessary. The study identifies conflicts between the outpatient claims data (whether therapy, drug, diagnostics, or other intervention) and nursing home assessment data. For example, the study will identify any providers that have a high number of patients receiving therapy who are listed as severely cognitively impaired, comatose, or have other psychological or physical limitations not conducive to therapy based on their nursing home assessments.	One time
26	Program Integrity Algorithm	Program Integrity	NCCI Edits	NCCI edits	One time

Number	Report Type	Area	Report Title	Report Description	Frequency
27	Program Integrity Algorithm	Program Integrity	Ophthalmology Dashboard	Measure to include: 1. Patients with more than 1 cataract removal with intraocular lens per eye. CPTs 66761, 65860, 66821, 67031, 65855 2. Outlier for YAG capsultomy (CPT 66821) 3. Providers with YAG capsultomy without the patients having prior Cataract procedure (66821) 4. Instances where patients had multiple instances of CPT 65855 outside of the 90 day global period (as measure by first instance for patient) 5. Outlier in ophthalmoscopy (CPT 92225-92226) 6. Outlier in external ocular photography (CPT 92285) 7. Outlier in orthoptic training with medical direction (CPT 92065) --- typically performed by orthoptist supervised by ophthalmologist 8. Endothelial cell count (CPT 92286) without cataract surgery 9. Outlier for sensorimotor examination (CPT 92060) 10. Outlier in Beta Scans (CPT 75612, 76510) 11. Outlier in serial tonometry (CPT 92100) 12. Outlier in corneal topography (92025) 13. Outlier for injection codes (CPT 67028 billed with 92250 or 92235	One time
28	Program Integrity Algorithm	Program Integrity	Outlier Distance Analysis	Identifies questionable billing patterns of transportation encounters based on distance.	One time

Number	Report Type	Area	Report Title	Report Description	Frequency
29	Program Integrity Algorithm	Program Integrity	Outliers in Medically Unlikely Edits (MUEs)	This algorithm identifies providers billing excessive units of service (or supply quantities) beyond the maximum units of service that a provider would normally report under most circumstances for a single beneficiary on a single date of service as defined by the CMS Medically Unlikely Edit (MUE) program. CMS developed Medically Unlikely Edits (MUEs) to reduce the paid claims error rate for Part B claims. A MUE for a HCPCS/CPT code is the maximum units of service that a provider would report under most circumstances for a single beneficiary on a single date of service. Numerous HCPCS/CPT codes have a MUE. MUE was implemented January 1, 2007 and is utilized to adjudicate claims at Carriers, Fiscal Intermediaries, and DME MACs.	One time
30	Program Integrity Algorithm	Program Integrity	Pain Management Scorecard	The purpose of this analysis is to identify providers administering excessive pain management services, which is indicative of billing for services not rendered, misrepresenting the type of service performed, billing for cosmetic or other non-covered procedures, or providing services that were not medically necessary.	One time
31	Program Integrity Algorithm	Program Integrity	Patients enrolled in multiple states using the CMS PARIS file (would need to be obtained)	Medical, dental, and/or pharmacy transactions when patients were enrolled in multiple states. This is a more complex study that involves obtaining and loading the current CMS PARIS (Public Assistance Reporting Information System) file. The PARIS program is a federal-state partnership with over 45 participating state public assistance agencies. The PARIS system provides its state partners with detailed information (data extracts) for use in ensuring program integrity, detecting, and deterring improper payments. The data from PARIS is a tool for states to identify enrollees who may be receiving benefits in more than one state, and for assisting states in determining if enrollees have or are eligible for federal health care coverage. States can then take appropriate action including recovering improper payments and updating third party liability (TPL) information in client's eligibility file.	One time
32	Program Integrity Algorithm	Program Integrity	Patients with Multiple Orthotics	Identify outlier patients with multiple types of orthotics for different body parts. All orthotic procedure codes L0000 to L4999 are included with focus on: L0430-L0492 (back), L0625-L0627 (back), L0628-L0640 (knee), L1810-L1860 (knee), L1900-L1990 (ankle). Include a provider summary report for patients with suspect claims.	One time

Number	Report Type	Area	Report Title	Report Description	Frequency
33	Program Integrity Algorithm	Program Integrity	Pharmacy Dashboard	Identify outliers based on eight metrics (average paid per patient, scripts per patient, average paid per prescriber, average scripts per prescriber, % schedule II drugs, % schedule III drugs, % refills), which are used to establish norms for expected billing patterns.	One time
34	Program Integrity Algorithm	Program Integrity	Physician-Timed Billing	Identify servicing providers that provided 12 or more hours of "face time" on a single day, which would be considered excessive and indicative of billing for services not rendered. This algorithm relies on CMS's yearly timed procedure files, which provide "Pre, "Face," "Post," and "Total" minutes for all time based codes.	One time
35	Program Integrity Algorithm	Program Integrity	Recipients with unreasonable distances between the beneficiary's address and provider's location address based on geo coordinates	Identify outlier providers within this peer group who have many recipients living an unreasonable distance (x or more miles) from the provider's address based on geographic latitude and longitude coordinates (centroid of zip code). This billing pattern is an indicator of potential drug seeking behavior.	One time
36	Program Integrity Algorithm	Program Integrity	Using SS Death Index file to find list of invalid SSN Numbers	Identify recipients with any of these numbers. This can also be used to identify providers whose IDs are being used after their deaths (when the SSN is available for servicing providers).	One time
37	SCDHHS Daily	Program Integrity	Record Listing Templates (AS)	Program Integrity utilizes the following six (6) templates on a daily basis: a. DRU/Legal b. Pharmacy c. Billing Provider d. Servicing Provider e. Dental f. Recipient	Daily
38	SCDHHS Monthly	Program Integrity	DHHS RBHS Dashboard	Monthly dashboard based on a rolling 36 months and limited to RBHS and TCM providers. Providers are scored using 17 algorithms.	Monthly
39	SCDHHS Monthly	Program Integrity	Lock-in Eligibility Changes Report	Identifies any eligibility changes for beneficiaries in the lock-in program.	Monthly
40	SCDHHS Monthly	Program Integrity	EHR Hospital-based Report	Servicing provider report used to identify percentage of visits provided in an inpatient setting.	Monthly
41	SCDHHS Monthly	Program Integrity	BEOMB Letters	EOB letters for Program Integrity to mail to a random selection of beneficiaries for the purpose of identifying services not rendered.	Monthly

Number	Report Type	Area	Report Title	Report Description	Frequency
42	SCDHHS Monthly	Eligibility	SCDHHS ELE Monthly Reports	Summary of Express Lane Eligible Enrollees with multiple drilldowns	Monthly
43	SCDHHS Monthly	Health Programs (Prime)	Prime Program Report	FFS Claims and Managed Care Encounters paid/processed for Prime Enrollees during the month along with a list of Prime Program potential eligible Medicaid enrollees	Monthly
44	SCDHHS Bi-Monthly	Program Integrity	DME Top Candidates Review	DME peer comparison report based on 4 measures.	Bi-Monthly
45	SCDHHS Bi-Monthly	Program Integrity	Procedures Mainly Used by One Provider	Identifies providers billing procedure codes much more than any other provider. Compares the top ranked provider to the second ranked provider by procedure code. PI has a separate script for Dental, DME and Professional claims. Report must include both FFS and Encounter claims.	Bi-Monthly
46	SCDHHS Bi-Monthly	Program Integrity	SURS Annual Ranking Reports	Peer comparison report that ranks providers on several measures. Peer groups are based on provider types and/or specialties.	Bi-Monthly
47	SCDHHS Bi-Monthly	Program Integrity	SURS Procedure Code Surge	Identifies procedure utilization/payment outliers by comparing measures for current rolling year to previous rolling year. Report must include both FFS and Encounter claims.	Bi-Monthly
48	SCDHHS Bi-Monthly	Program Integrity	SURS Provider Surge Report	Identifies Billing/Servicing provider utilization/payment outliers by comparing measures for current rolling year to previous rolling year. Report must include both FFS and Encounter claims.	Bi-Monthly
49	SCDHHS Bi-Monthly	Program Integrity	Top Candidates for Review	Professional claims peer comparison based on 5 measures. Peer groups are based on provider types and/or specialties.	Bi-Monthly
50	SCDHHS Bi-Monthly	Program Integrity	New Provider Tracking Report	Analysis of providers billing for the first time. Also identifies providers who are also Medicaid beneficiaries.	Bi-Monthly
51	SCDHHS Quarterly	Office of Reporting	Medicaid Fast Facts	Dashboard for legislatures by county with enrollment, utilization, and provider metrics	Quarterly
52	SCDHHS Quarterly	Office of Reporting	Usage Statistics	Overview of Decision Support System (DSS) usage statistics by user, department, etc.	Quarterly
53	SCDHHS Quarterly	Office of Reporting	Enrollment by Plan Type and RSS Aid Category	Monthly eligibility by Aid Category RSS and Plan Type for the most recent rolling 25 months	Monthly
54	SCDHHS Quarterly	Program Integrity	Provider Dashboard	Overview of provider billing patterns.	Quarterly

Number	Report Type	Area	Report Title	Report Description	Frequency
55	SCDHHS Quarterly	Program Integrity	Lock-In Candidates Report	Utilizes 20 measures to identify beneficiaries for the pharmacy lock-in program.	Quarterly
56	SCDHHS Quarterly	Program Integrity	Pharmacy and Prescriber Rankings	Using numerous measures, this algorithm creates pharmacy and prescriber ranking reports based on a composite score.	Quarterly
57	SCDHHS Annual	Hospice	Annual Hospice Book	Overview of Hospice Utilization	Annual