



DRAFT

Request for Proposal 16-X-00000

For: Health Benefits Coordinator Medicaid Managed Care Programs

Event	Date	Time
Bidder's Electronic Question Due Date (Refer to RFP Section 1.3.1 for more information.)	DATE	5:00 PM
Mandatory/Optional Pre-Proposal Conference (Refer to RFP Section 1.3.6 for more information.)	DATE	TIME
Mandatory/Optional Site Visit (Refer to RFP Section 1.3.5 for more information.)	DATE	TIME
Proposal Submission Date (Refer to RFP Section 1.3.2 for more information.)	DATE	2:00 PM

Dates are subject to change. All changes will be reflected in Addenda to the RFP posted on the Division of Purchase and Property website.

	Status	Category
Small Business Set-Aside	<input type="checkbox"/> Not Applicable	
	<input type="checkbox"/> Entire Contract	<input checked="" type="checkbox"/> I
	<input type="checkbox"/> Partial Contract	<input checked="" type="checkbox"/> II
	<input checked="" type="checkbox"/> Subcontracting Only	<input checked="" type="checkbox"/> III

RFP Issued By

State of New Jersey
Department of the Treasury
Division of Purchase and Property
Trenton, New Jersey 08625-0230

Using Agency

State of New Jersey
Department of Human Services
Division of Medical Assistance and Health Services
Trenton, New Jersey 08625

Date: May 19, 2015

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1.0 INFORMATION FOR BIDDERS

1.1 PURPOSE AND INTENT

This Request for Proposal (RFP) is issued by the Procurement Bureau, Division of Purchase and Property, Department of the Treasury on behalf of the Department of Human Services (DHS), Division of Medical Assistance and Health Services (DMAHS). The purpose of this RFP is to retain a Health Benefits Coordinator (HBC) responsible for the following:

- Eligibility determination using all State's eligibility systems as well as the Federal Marketplace;
- Enrollment of eligible members into MCOs;
- Premium development, assessment and collection;
- Call Center operation;
- Outreach and education; and
- Document management including all State eligibility systems.

The intent of this RFP is to award a contract to that responsible bidder whose proposal, conforming to this RFP is most advantageous to the State, price and other factors considered. The State, however, reserves the right to separately procure individual requirements that are the subject of the contract during the contract term, when deemed by the Director to be in the State's best interest.

The State of NJ Standard Terms and Conditions will apply to all contracts or purchase agreements made with the State of New Jersey. These terms are in addition to the terms and conditions set forth in this RFP and should be read in conjunction with them unless the RFP specifically indicates otherwise.

1.2 BACKGROUND

This is a reprocurement of the Health Benefits Coordinator term contract, presently due to expire on December 31, 2015. Bidders interested in the current contract specifications and pricing information may review the current contract (Enter T-1392) at <http://www.state.nj.us/treasury/purchase/pricelists.shtml>.

The NJ FamilyCare program was implemented in February 1998, expanded in 1999 and expanded again in July 2000. Together with the Medicaid program, it is designed to:

- Ensure the quality, continuity and appropriateness of medical care;
- Contract with qualified, established Managed Care Organizations (MCOs) approved by Certificate of Authority for Medicaid lines of business throughout New Jersey;
- Improve access to health care services by contracting with MCOs whose networks ensure full access to their providers;
- Enhance cost effectiveness in health care delivery; and
- Provide customer service with a "people first" focus.

Currently, five (5) New Jersey licensed MCOs serve approximately 1.6 million NJ FamilyCare/Medicaid clients.

By enhancing access to care and by more closely managing the care provided to the NJ FamilyCare/Medicaid clients, managed care is providing a broader range of appropriately organized and more cost effective care to these populations. Under managed care, an individual enrolls in a managed care plan that makes a Primary Care Provider (PCP) available to each

member. This PCP assumes responsibility for coordinating all of the care needed by an individual beneficiary. MCO enrollees are, therefore, assured of enhanced access to needed medical services and benefit from greater coordination and continuity of care because they have a single PCP familiar with each beneficiary's history.

MCOs improve upon the service delivery network available to serve these populations as compared to fee-for-service, ensuring access to "mainstream" medical services, particularly the care provided by PCPs, who deliver the prevailing source of care for enrollees within these programs. It addresses reimbursement issues that have impacted provider recruitment efforts.

The objective of cost containment is addressed by reducing the reliance on high cost hospital based sources of care. In addition, the MCO is financially at risk for the cost of care for certain populations, beyond the agreed upon payment and, therefore, more closely manages the utilization of services. The State is presently researching the feasibility of developing other models of managed care programs including those where the State would assume the financial risk for those individuals who utilize a higher than average proportion of health and medical services thereby minimizing the exposure of the MCOs to uncontrollable costs.

MCOs manage the delivery of health care for NJ FamilyCare/Medicaid clients. MCOs operating in the State have the necessary administrative structures and the potential for developing service delivery systems capable of providing more comprehensive managed care programs to these populations under a fully capitated model.

Enrollee health care education efforts are essential to the success of managed care. Therefore, health education is a key component of the HBC's role and DMAHS will, on an ongoing basis, evaluate and recommend a variety of marketing and education strategies for Contractor implementation.

The State of New Jersey is committed to expanding the benefits of managed care through streamlining services and maximizing both the care management and the cost containment benefits of managed care. Over the last few years, increasingly more of the population has been transitioned to managed care, including the aged, blind, disabled, waiver, and dual eligible populations. Furthermore, all dual eligibles are eligible for integrated services through D-SNPs. Additionally, services such as pharmacy, personal care, medical day care and long term care were absorbed into managed care.

1.3 KEY EVENTS

1.3.1 ELECTRONIC QUESTION AND ANSWER PERIOD

The Division will electronically accept questions and inquiries from all potential Bidders via the web at <http://ebid.nj.gov/QA.aspx>.

- Questions should be directly tied to the RFP and asked in consecutive order, from beginning to end, following the organization of the RFP.
- Each question should begin by referencing the RFP page number and section number to which it relates.

Note: Questions regarding the State of NJ Standard Terms and Conditions and exceptions to mandatory requirements must be posed during this Electronic Question and Answer period and should contain the Bidder's suggested changes.

A Bidder must not contact the Using Agency directly, in person, by telephone or by e-mail, concerning this RFP.

The cut-off date for electronic questions and inquiries relating to this RFP is indicated on the cover sheet. Addenda to this RFP, if any, will be posted on the Division's website after the cut-off date. (See RFP Section 1.4.1 for further information.)

1.3.2 SUBMISSION OF PROPOSAL

In order to be considered for award, the proposal must be received by the Procurement Bureau of the Division of Purchase and Property at the appropriate location by the required time. **ANY PROPOSAL NOT RECEIVED ON TIME AT THE LOCATION INDICATED BELOW WILL BE REJECTED. THE DATE AND TIME ARE INDICATED ON THE COVER SHEET. THE LOCATION IS AS FOLLOWS:**

PROPOSAL RECEIVING ROOM – 9TH FLOOR
PROCUREMENT BUREAU
DIVISION OF PURCHASE AND PROPERTY
DEPARTMENT OF THE TREASURY
33 WEST STATE STREET, P.O. BOX 230
TRENTON, NJ 08625-0230

Directions to the Division are available on the web at <http://www.state.nj.us/treasury/purchase/directions.shtml>.

Note: Bidders using U.S. Postal Service regular or express mail services should allow additional time since the U.S. Postal Service does not deliver directly to the Procurement Bureau.

Procedural inquiries concerning this RFP may be directed to RFP.procedures@treas.state.nj.us. This e-mail address also may be used to submit requests to review proposal documents. The State will not respond to substantive questions related to the RFP or any other contract via this e-mail address.

To submit an RFP or contract related question, go to the Current Bidding Opportunities webpage or to <http://eBid.nj.gov/QA.aspx>.

1.3.3 ELECTRONIC BIDDING (EBID)

The Division is pleased to announce its electronic procurement modernization process. This RFP provides to the bidder the opportunity to electronically submit its proposal. A new electronic bidding – “eBid” – application is being made available to vendors to promote an easier, more efficient method to submit proposals.

On-line Electronic Proposal Training Sessions:

Online electronic proposal training for the eBid process is available on the web at <https://wwwnet1.state.nj.us/treasury/dpp/ebid/>. The bidder is strongly encouraged to utilize the on-line training session before attempting to submit an eBid. It will be the bidder's responsibility to ensure that the eBid has been properly submitted.

1.3.4 ELECTRONIC SIGNATURES

Bidders submitting proposals through the eBid system may sign the following forms electronically by typing the name of the authorized signatory in the “Signature” block as an alternative to

downloading, physically signing the form, scanning the form and uploading the form to the eBid system:

- Ownership Disclosure Form;
- Disclosure of Investigations and Other Actions Involving Bidder Form; and
- Disclosure of Investment Activities in Iran Form

This practice applies only to proposals submitted through the eBid system and the forms listed above. Both electronic signatures and scanned physical signatures will be accepted, provided that the forms are otherwise properly completed.

1.4 ADDITIONAL INFORMATION

1.4.1 ADDENDA: REVISIONS TO THIS RFP

In the event that it becomes necessary to clarify or revise this RFP, such clarification or revision will be by addendum. Any addendum to this RFP will become part of this RFP and part of any contract awarded as a result of this RFP.

ALL RFP ADDENDA WILL BE ISSUED ON THE DIVISION OF PURCHASE AND PROPERTY WEB SITE. TO ACCESS ADDENDA, THE BIDDER MUST SELECT THE PROPOSAL NUMBER ON THE WEB PAGE AT <http://www.state.nj.us/treasury/purchase/bid/summary/bid.shtml>.

There are no designated dates for release of addenda. Therefore interested bidders should check the Division's "Bidding Opportunities" website on a daily basis from time of RFP issuance through the proposal submission opening.

It is the sole responsibility of the bidder to be knowledgeable of all addenda related to this procurement.

1.4.2 BIDDER RESPONSIBILITY

The bidder assumes sole responsibility for the complete effort required in submitting a proposal in response to this RFP. No special consideration will be given after proposals are opened because of a bidder's failure to be knowledgeable as to all of the requirements of this RFP.

1.4.3 COST LIABILITY

The State assumes no responsibility and bears no liability for costs incurred by a bidder in the preparation and submittal of a proposal in response to this RFP.

1.4.4 CONTENTS OF PROPOSAL

The bidder's proposal may be released to the public during the protest period established pursuant to N.J.A.C. 17:12-3.3, or under the New Jersey Open Public Records Act, N.J.S.A. 47:1A-1 et seq., (OPRA) or the common law right to know. As provided in N.J.A.C. 17:12-1.2(b):

Subsequent to the proposal submission opening, all information submitted by bidders in response to a solicitation is considered public information, notwithstanding any disclaimers to the contrary submitted by a bidder, except as may be exempted from public disclosure by OPRA and the common law.

Any proprietary and/or confidential information in the bidder's proposal will be redacted by the State. A bidder may designate specific information as not subject to disclosure pursuant to the exceptions to OPRA found at N.J.S.A. 47:1A-1.1, when the bidder has a good faith legal and or factual basis for such assertion. The State reserves the right to make the determination as to what is proprietary or confidential, and will advise the bidder accordingly. The location in the proposal of any such designation should be clearly stated in a cover letter. **The State will not honor any attempt by a bidder to designate its entire proposal as proprietary, confidential and/or to claim copyright protection for its entire proposal.** In the event of any challenge to the bidder's assertion of confidentiality with which the State does not concur, the bidder shall be solely responsible for defending its designation.

By signing the cover sheet of this RFP, the bidder waives any claims of copyright protection set forth within the manufacturer's price list and/or catalogs. The price lists and/or catalogs must be accessible to State using agencies and cooperative purchasing partners and thus have to be made public to allow all eligible purchasing entities access to the pricing information.

1.4.5 PROPOSAL SUBMISSION

On the date and time proposals are due under the RFP, all information concerning the proposals submitted may be publicly announced and those proposals, except for information appropriately designated as proprietary and/or confidential, shall be available for inspection and copying. In those cases where negotiation is contemplated, only the names and addresses of the bidders submitting proposals will be announced and the contents of the proposals shall remain proprietary and/or confidential until the Notice of Intent to Award is issued by the Director.

1.4.6 PRICE ALTERATION IN HARD COPY PROPOSALS

Proposal prices must be typed or written in ink. Any price change (including "white-outs") must be initialed. Failure to initial price changes shall preclude a contract award from being made to the bidder.

1.4.7 PROPOSAL ERRORS

In accordance with N.J.A.C. 17:12-2.11, "Proposal errors," a bidder may withdraw its proposal as described below.

A bidder may request that its proposal be withdrawn prior to the proposal submission opening. Such request must be made, in writing, to the Supervisor of the Proposal Review Unit. If the request is granted, the bidder may submit a revised proposal as long as the proposal is received prior to the announced date and time for proposal submission and at the place specified.

If, after the proposal submission opening but before contract award, a bidder discovers an error in its proposal, the bidder may make a written request to the Supervisor of the Proposal Review Unit for authorization to withdraw its proposal from consideration for award. Evidence of the bidder's good faith in making this request shall be used in making the determination. The factors that will be considered are that the mistake is so significant that to enforce the contract resulting from the proposal would be unconscionable; that the mistake relates to a material feature of the contract; that the mistake occurred notwithstanding the bidder's exercise of reasonable care; and that the State will not be significantly prejudiced by granting the withdrawal of the proposal. After the proposal submission opening, while pursuant to the provisions of this section, you may request to withdraw your proposal and the Director may, in her discretion allow you to withdraw it, the Division also may take notice of repeated or unusual requests to withdraw by a bidder and take those prior requests to withdraw into consideration when evaluating the bidder's future bids or proposals.

All proposal withdrawal requests must include the proposal identification number and the final proposal submission date and be sent to the following address:

Department of the Treasury
Procurement Bureau
PO Box 230
33 West State Street – 9th Floor
Trenton, New Jersey 08625-0230
Attention: Supervisor, Proposal Review Unit

If during a proposal evaluation process, an obvious pricing error made by a potential contract awardee is found, the Director shall issue written notice to the bidder. The bidder will have five (5) days after receipt of the notice to confirm its pricing. If the vendor fails to respond, its proposal shall be considered withdrawn, and no further consideration shall be given it.

If it is discovered that there is an arithmetic disparity between the unit price and the total extended price, the unit price shall prevail. If there is any other ambiguity in the pricing other than a disparity between the unit price and extended price and the bidder's intention is not readily discernible from other parts of the proposal, the Director may seek clarification from the bidder to ascertain the true intent of the proposal.

1.4.8 JOINT VENTURE

If a joint venture is submitting a proposal, the agreement between the parties relating to such joint venture should be submitted with the joint venture's proposal. Authorized signatories from each party comprising the joint venture must sign the proposal. A separate Ownership Disclosure Form, Disclosure of Investigations and Actions Involving Bidder form, Disclosure of Investment Activities in Iran form, and Affirmative Action Employee Information Report must be supplied for each party to a joint venture. NOTE: Each party comprising the joint venture must also possess a valid Business Registration Certificate ("BRC") issued by the Department of the Treasury, Division of Revenue prior to the award of a contract. Refer to Section 4.4.2.1 of this RFP.

1.4.9 RECIPROCITY FOR JURISDICTIONAL BIDDER PREFERENCE

In accordance with N.J.S.A. 52:32-1.4 and N.J.A.C. 17:12-2.13, the State of New Jersey will invoke reciprocal action against an out-of-State bidder whose state or locality maintains a preference practice for its bidders. For states having preference laws, regulations, or practices, New Jersey will use the annual surveys compiled by the Council of State Governments, National Association of State Purchasing Officials, or the National Institute of Governmental Purchasing to invoke reciprocal actions. The State may obtain additional information as it deems appropriate to supplement the stated survey information.

The bidder may submit information related to preference practices enacted for a local entity outside the State of New Jersey. This information may be submitted in writing as part of the proposal response, including name of the locality having the preference practice, as well as identification of the county and state, and should include a copy of the appropriate documentation, i.e., resolution, regulation, law, notice to bidder, etc. It is the responsibility of the bidder to provide documentation with the proposal or submit it to the Director, Division of Purchase and Property within five (5) working days of the public proposal submission date. Written evidence for a specific procurement that is not provided to the Director within five (5) working days of the public proposal submission date will not be considered in the evaluation of that procurement, but will be retained and considered in the evaluation of subsequent procurements.

1.4.10 PROPOSAL ACCEPTANCES AND REJECTIONS

N.J.A.C. 17:12-2.7(d), the Director's right to waive minor irregularities or omissions in a proposal and N.J.A.C. 17:12-2.2 which defines causes for proposal rejection, apply to all proposals. In addition, pursuant to N.J.S.A. 52:34-12, the Director retains the right to reject all proposals if it is in the public interest.

DRAFT

2.0 DEFINITIONS

2.1 GENERAL DEFINITIONS

The following definitions will be part of any contract awarded or order placed as result of this RFP.

Addendum – Written clarification or revision to this RFP issued by the Division of Purchase and Property.

All-Inclusive Hourly Rate – An hourly rate comprised of all direct and indirect costs including, but not limited to: overhead, fee or profit, clerical support, travel expenses, per diem, safety equipment, materials, supplies, managerial support and all documents, forms, and reproductions thereof. This rate also includes portal-to-portal expenses as well as per diem expenses such as food.

Amendment – An alteration or modification of the terms of a contract between the State and the Contractor(s). An amendment is not effective until it is signed by the Director or Deputy Director, Division of Purchase and Property.

Bidder – An individual or business entity submitting a proposal in response to this RFP.

Contract – This RFP, any addendum to this RFP, and the bidder's proposal submitted in response to this RFP, as accepted by the State.

Contractor – The bidder awarded a contract resulting from this RFP.

Director – Director, Division of Purchase and Property, Department of the Treasury. By statutory authority, the Director is the chief contracting officer for the State of New Jersey.

Division – The Division of Purchase and Property

Evaluation Committee – A committee established or Division staff member assigned by the Director to review and evaluate proposals submitted in response to this RFP and to recommend a contract award to the Director.

Firm Fixed Price – A price that is all-inclusive of direct cost and indirect costs, including, but not limited to, direct labor costs, overhead, fee or profit, clerical support, equipment, materials, supplies, managerial (administrative) support, all documents, reports, forms, travel, reproduction and any other costs. No additional fees or costs shall be paid by the State unless there is a change in the scope of work.

Joint Venture – A business undertaking by two or more entities to share risk and responsibility for a specific project.

May – Denotes that which is permissible, not mandatory.

Project – The undertaking or services that are the subject of this RFP.

Request for Proposal (RFP) – This document which establishes the bidding and contract requirements and solicits proposals to meet the purchase needs of the using Agencies as identified herein.

Shall or Must – Denotes that which is a mandatory requirement. Failure to meet a mandatory material requirement will result in the rejection of a proposal as non-responsive.

Should – Denotes that which is recommended, not mandatory.

Small business – Pursuant to N.J.A.C. 17:13-1.2, “small business” means a business that meets the requirements and definitions of “small business” and has applied for and been approved by the New Jersey Division of Revenue, Small Business Enterprise Unit as (i) independently owned and operated, (ii) incorporated or registered in and has its principal place of business in the State of New Jersey; (iii) has 100 or fewer full-time employees; and has gross revenues falling in one of the three following categories: (A) 0 to \$500,000 (Category I); (B) \$500,001 to \$5,000,000 (Category II); and (C) \$5,000,001 to \$12,000,000, or the applicable federal revenue standards established at 13 CFR 121.201, whichever is higher (Category III).

State – State of New Jersey.

State Contract Manager – The individual responsible for the approval of all deliverables, i.e., tasks, sub-tasks or other work elements in the Scope of Work, as set forth in Sections 8.1, 8.1.1 and 8.1.2.

Subtasks – Detailed activities that comprise the actual performance of a task.

Subcontractor – An entity having an arrangement with a State contractor, where by the State contractor uses the products and/or services of that entity to fulfill some of its obligations under its State contract, while retaining full responsibility for the performance of all of its [the contractor's] obligations under the contract, including payment to the subcontractor. The subcontractor has no legal relationship with the State, only with the contractor.

Task – A discrete unit of work to be performed.

Transaction - The payment or remuneration to the contractor for services rendered or products provided to the State pursuant to the terms of the contract, including but not limited to the following: purchase orders, invoices, hourly rates, firm fixed price, commission payments, progress payments and contingency payments.

Using Agency[ies] – A State department or agency, a quasi-State governmental entity, or a Cooperative Purchasing Program participant, authorized to purchase products and/or services under a contract procured by the Division.

2.2 CONTRACT-SPECIFIC DEFINITIONS

ABD – Aged, Blind, or Disabled population of the Medicaid Program.

Abuse – Provider practices that are inconsistent with sound fiscal, business or medical practices and result in an unnecessary cost to the NJ FamilyCare/Medicaid program, reimbursement for services that are not medically necessary or fail to meet professionally recognized standards for health care. It also includes enrollee practices that result in unnecessary cost to the NJ FamilyCare/Medicaid program. (See 42 C.F.R. 455.2)

Ad Hoc Report – A report produced for a particular purpose and not intended to become a permanent reporting requirement.

Advocacy – The act of pleading or arguing in favor of something, such as a cause, idea or policy; active support.

Advocate – A person or entity that gives support to another person or protects their rights.

Aid to Families with Dependent Children (AFDC) – A federal assistance program in effect from 1935 to 1996, created by the Social Security Act and administered by the United States Department of Health and Human Services. This program provided financial assistance to children whose families had low or no income. In 1996, AFDC was replaced by the more restrictive Temporary Assistance for Needy Families (TANF) program.

Affordable Care Act (ACA) (AKA PPACA) – The Patient Protection and Affordable Care Act (“PPACA”; Public Law 111–148) consolidates the amendments made by Title X of the Act and the Health Care and Education Reconciliation Act of 2010 (“HCERA”; Public Law 111–152). On March 23, 2010, the President signed comprehensive health reform, the Patient Protection and Affordable Care Act, into law. It includes provisions to expand coverage, control health care costs and improve the health care delivery system.

Appeal – A request for a review of an action.

Applicant – A potential member of the NJ FamilyCare/Medicaid program.

Application – Form used to apply for enrollment in any NJ FamilyCare/Medicaid program.

Assignment – Process by which a NJ FamilyCare/Medicaid enrollee receives a Primary Care Provider (PCP) if the enrollee has not self-selected a PCP.

Audit – An official examination and verification of accounts and records.

Authorized Representative – An individual 18 years of age or older who may assist in making an application for NJ FamilyCare children.

Auto-Assignment - The enrollment of an eligible person, for whom enrollment is mandatory, in a managed care plan chosen by the New Jersey Department of Human Services.

Balanced Budget Act of 1997 (BBA) – Federal law (Public Law 105-33) passed in 1997 as part of the federal appropriations process containing various provisions that generally relate to: Food Stamps, Housing, Communications and Spectrum Allocation, Medicare, Medicaid, Children's Health, Welfare, Education, Civil Service Retirement, Veterans, Asset Sales, User Fees, and Miscellaneous, Budget Enforcement and District of Columbia Revitalization.

Beneficiary Data Exchange System (BENDEX) - A file containing data from CMS regarding persons receiving benefits from the Social Security Administration.

Beneficiary – A person determined as eligible for assistance in accordance with the State Plan(s) under Title XIX and Title XXI of the Social Security Act and/or other New Jersey medical assistance programs.

Bureau of Program Integrity (BPI) – DMAHS organization that addresses program security issues.

Business Days – Official hours of operation 8:00 am to 6:00 pm based on a five (5) day work week excluding Saturdays, Sundays and official New Jersey State holidays.

Calendar day – A period of 24 hours beginning at midnight and inclusive of weekends and holidays.

Call Center – Telephone facility with toll-free dedicated “800” telephone lines and corresponding numbers, which is staffed for the purpose of meeting customer service needs. Operation includes, but is not limited to: answering general questions of callers, handling requests for application packages and/or enrollment materials, marketing requests, etc.

Caretaker – The authorized, responsible adult(s) residing with the children for whom the application for NJ FamilyCare is being made.

Case – A household consisting of one or more Medicaid, New Jersey Care...Special Medicaid Program, or NJ FamilyCare beneficiaries.

Centers for Medicare and Medicaid Services (CMS) – The agency of the Federal Department of Health and Human Services that is responsible for the administration of the Medicare and Medicaid programs in the United States.

Certificate of Creditable Coverage – DMAHS Premium Support Program (PSP) form that assures continuity of coverage for PSP beneficiaries, usually in situations of pre-existing conditions.

Code of Federal Regulations (CFR) – The codification of the general and permanent rules published in the Federal Register by the executive departments and agencies of the federal government. The Code of Federal Regulations (CFR) Titles 42 and 45 govern Public Health and Public Welfare programs. Each volume of the CFR is updated once each calendar year and is issued on a quarterly basis. Additional information is located at <http://www.gpoaccess.gov/cfr/>.

Commissioner’s Referral – An inquiry (by way of letter, e-mail, telephone, fax, etc.) assigned to DMAHS by the DHS Commissioner’s Office requiring research and a response written for the Commissioner’s signature. These referrals are to be given high priority and require a timely response as indicated on the referral cover sheet.

Completed Application – An application that has been brought to disposition as described in N.J.A.C. 10:78 and 10:79. The disposition can be approved, denied, dismissed or withdrawn.

Completed Redetermination – A redetermination that has been brought to disposition as described in N.J.A.C. 10:78 and 10:79. The disposition can be approved, denied, dismissed or withdrawn.

Comprehensive Medicaid Waiver – A collection of reform initiatives designed to sustain the NJ FamilyCare/Medicaid program long-term as a safety-net for eligible populations, to rebalance resources to reflect the changing health care landscape and to prepare New Jersey to implement provisions of the federal Affordable Care Act in 2014.

Continuous Improvement – An approach to work that seeks to achieve small, incremental changes in processes in order to improve efficiency and quality.

Contract Effective Date – Date of award of contract to successful bidder.

Contract Operational Date – A date four (4) months after the Contract Effective Date when the Contractor is expected to have fully implemented its transition plan and the contract program is fully operational.

Contract Transition Period – The six (6) month period from the contract effective date to the contract operational date during which the Contractor performs its mobilization and transition plan.

Copayment – The part of a cost-sharing requirement in which a fixed monetary amount is paid by the member for certain services/items.

County Welfare Agency (CWA) – Agency of county government that is charged with the responsibility for determining eligibility for public assistance programs. Depending on the county, the county welfare agency might be identified as the Board of Social Services, the Welfare Board, the Division of Family Development or the Division of Social Services.

Creditable Coverage – Health insurance coverage prior to enrolling in a new health plan used to offset a pre-existing condition exclusion period in a new health plan.

Cultural and Linguistic Appropriate Services (CLAS)– Title VI of the Civil Rights Act of 1964; the United States Department of Health and Human Services (HHS) policy guidance on Title VI's prohibition against national origin discrimination as it affects limited English proficient persons. Federal Register / Vol. 65, No. 169 / Wednesday, August 30, 2000 Pages 52762-52774 located at <http://www.gpo.gov/fdsys/pkg/FR-2000-08-30/pdf/00-22140.pdf#page=1>. In addition, National Standards for Culturally and Linguistically Appropriate Services in Health Care is located at <http://minorityhealth.hhs.gov/assets/pdf/checked/finalreport.pdf>.

Cultural Competence – Respectful of health-related beliefs, communication styles, cultural values, behaviors and attitudes and trained to work with the unique needs of the NJ FamilyCare/Medicaid population. Guidelines are provided at the following website: <https://www.thinkculturalhealth.hhs.gov/Content/clas.asp>

Days – Calendar days unless otherwise specified.

DCPP – New Jersey Department of Child Protection and Permanency.

DDD/CCW - Division of Developmental Disabilities/Community Care Waiver.

DDS – Division of Disability Services.

Deliverable – Tangible evidence of work completed.

Determination of Eligibility – After verification of all factors related to eligibility, the decision of the State eligibility determination agency that the applicant has met the financial and non-financial requirements of program eligibility in accordance with N.J.A.C. 10:78 and N.J.A.C. 10:79.

DFD – Division of Family Development.

DHS – New Jersey Department of Human Services.

Director's Referral – An inquiry (by way of letter, e-mail, telephone, fax, etc.) assigned by the DMAHS Director's Office requiring research and a response written for the DMAHS Director's signature. These referrals are to be given high priority and require a timely response as indicated on the referral cover sheet.

Disenrollment – The removal of a member from participation in an MCO's plan, but not from the NJ FamilyCare/Medicaid program.

Division of Aging Services (DoAS) – An organizational entity within the Department of Human Services that is responsible for administering specified Title XIX Medicaid Services to the aged and disabled.

Division of Archives and Records Management (DARM) – New Jersey's public records authority. DARM establishes uniform record keeping standards and practices under State law and administrative rules. Additional information is located at <http://www.state.nj.us/treasury/revenue/rms/retention.shtml>.

DMAHS – Division of Medical Assistance and Health Services within the New Jersey Department of Human Services.

DOH – New Jersey Department of Health.

DOBI – New Jersey Department of Banking and Insurance.

Dual Eligible – Person entitled to Medicare (Part A and/or Part B), as well as being eligible for Medicaid.

Dual Eligible SNPs (D-SNPs) – Enrolled beneficiaries entitled to both Medicare (Title XVIII) and Medical Assistance from a State Plan under Title XIX (Medicaid), and offered the opportunity of enhanced benefits by combining the benefits available through Medicare and Medicaid. Beneficiaries in all Medicaid categories are eligible for D-SNPs.

DYFS – Division of Youth and Family Services.

Eligible – The determination that an individual is qualified to receive benefits in a program.

Eligibility Determination Agency – An entity, including, but not limited to, a public or private agency, either governmental, non-profit or for profit, with which the Division of Medical Assistance and Health Services has a contract or agreement to perform some or all of the eligibility-related functions for NJ FamilyCare/Medicaid.

Eligibility Processing and Management System (EPMS) – System that performs eligibility calculations, electronically tracks and records beneficiary premium payments and generates letters, notices, invoices and reports required for the administration of the NJ FamilyCare/Medicaid program.

Enrollee – A Medicaid, New Jersey Care Special Medicaid Program, or NJ FamilyCare beneficiary who has enrolled in a Managed Care Organization for the provision of health care services.

Enrollment – The process by which a NJ FamilyCare/Medicaid eligible person becomes a member of a managed care organization.

Enrollment Data – Refers to the Managed Care Organization's information on individuals who are plan members. The Managed Care Organization gets its enrollment data from DMAHS' eligibility system and from the plan selection form.

Exclusions – Categories of individuals precluded from MCO enrollment.

Express Lane Eligibility Process (ELE) – An expedited method of determining eligibility using another program's determination. New Jersey uses express lane applications with Taxation and School Lunch Program. Authority for this process may expire December 2015.

Federally Qualified Health Center (FQHC) – A facility located in a medically under-served area that provides beneficiaries with preventive primary medical care under the general supervision of a physician. These health centers have been approved by the government to provide low cost health care. Medicaid pays for some health services in FQHCs that are not usually covered, like preventive care. FQHCs include community health centers, tribal health clinics, migrant health services, and health centers for the homeless.

Federally Qualified HMO – A Health Maintenance Organization (HMO) that CMS has determined is a qualified HMO under section 1310(d) of the Public Health Services Act.

Final Disposition – Final status to be eligible or ineligible for program enrollment.

Fixed Cost – A cost that does not vary depending on production level.

Fraud – Intentional deception or misrepresentation made by a person with the knowledge that the deception could result in some unauthorized benefit to himself or some other person, including any act that constitutes fraud under applicable Federal or State law.

Geographic Access – Software mapping programs that visually map providers and beneficiaries based on zip code.

Governing Unit – Any state, municipal or local authority, including school boards, water and sewage authorities, as well as any state college or university system that is required or authorized by statute to provide a group health plan for active or retired employees.

Governor's Referral – An inquiry (by way of letter, e-mail, telephone, fax, etc.) assigned to DMAHS by the Governor's office requiring research and a written response for the Governor's signature. These referrals are to be given high priority and require a timely response as indicated on the referral cover sheet.

Head of Household – Individual recognized by other members of the household as having primary responsibility for financial control and direction of the household.

Health Benefits Coordinator (HBC) – Entity responsible for overseeing the health benefits for members, ensuring members are enrolled properly and answering questions members have about benefits.

Health Benefit Identification Card (HBID) – New Jersey's NJ FamilyCare/Medicaid identification card.

Health Information Exchange (HIE) – An interoperable network for sharing health care information electronically among disparate health care information systems.

Health Information Technology for Economic and Clinical Health (HITECH) Act – Legislation enacted as part of the American Recovery and Reinvestment Act of 2009, signed into law on February 17, 2009, to promote the adoption and meaningful use of health information technology. Subtitle D of the HITECH Act addresses the privacy and security concerns associated with the electronic transmission of health information, in part, through several provisions that strengthen the civil and criminal enforcement of HIPAA rules.

Health Insurance – Benefits or services provided for the diagnosis, cure, mitigation, treatment or prevention of disease or other problems with the structure or function of the body, and transportation primarily for and essential to the provision of such medical care, provided pursuant to the terms of a contract issued to an individual or group health plan by a carrier or other third-party within the meaning of N.J.S.A. 30:4D-3m.

Health Insurance Portability and Accountability Act of 1996 (HIPAA) – Law enacted in August 1996 requiring all protected patient information be safeguarded in specific ways to prevent accidental or purposeful disclosure, loss or misuse.

Health Joint Insurance Fund – A fund for the provision of health care services or benefits authorized in accordance with N.J.S.A. 40A:10-36 et seq. and N.J.A.C. 11:15-3 regardless whether the benefits and services are self-funded by the participants or purchased under a contract of health insurance.

Health Level-7 or HL7 – A set of international standards for transfer of clinical and administrative data between hospital information systems. The standards focus on the application layer – “layer 7” – in the Open Systems Interconnection (OSI) model defining technology interfaces. HL7 develops conceptual standards, document standards, application standards, and messaging standards. Such standards set the language, structure and data types required for seamless integration from one system to another.

Health Literacy – The degree to which individuals have the capacity to obtain, process and understand basic health information and services needed to make appropriate health decisions.

Health Maintenance Organization (HMO) – Any entity that contracts with providers and furnishes at least basic comprehensive health care services on a prepaid basis to enrollees in a designated geographic area pursuant to N.J.S.A. 26:2J-1 et seq., and is either:

- A Federally Qualified HMO; or
- Meets the State’s definition of an HMO, which includes, at a minimum, the following requirements:
 - Is organized primarily for the purpose of providing health care services;
 - Makes the services it provides to its Medicaid enrollees as accessible to them (in terms of timeliness, amount, duration and scope) as those services are provided to non-enrolled Medicaid eligible individuals within the area served by the HMO;
 - Makes provision, satisfactory to DMAHS, to the Department of Insurance and Banking, and the Department of Health, against the risk of insolvency, and ensures that Medicaid enrollees are not liable for the HMO’s debts if it becomes insolvent; and
 - Has a Certificate of Authority granted by the State of New Jersey to operate in all or selected counties in the State.

Home Visit – A face to face visit by an HBC employee in the home of a NJ FamilyCare/Medicaid client, usually for those who are homebound or need assistance.

Household Unit – Persons whose income is counted in the determination of eligibility under the provisions of N.J.A.C. 10:78 and 10:79.

Interactive Voice Response (IVR) System – A technology that allows a computer to interact with humans through the use of voice and dual-tone multi-frequency tones input via keypad.

Key Date – A specified date on which a deliverable is due, and if not met, may jeopardize the operations start date.

Lock-Box – A collection and processing service provided to firms by banks, which collect payments from a dedicated postal box to which the firm directs its customers to send payments. Banks make several collections per day, process the payments immediately and deposit the funds into the firm's bank account.

Lock-Box Truncation – The conversion of a paper check to an electronic deposit. The paper item becomes an EFT (electronic funds transfer) and travels through the Federal Reserve's Automated Clearing House (ACH) network.

MACC – Medical Assistance Customer Center.

Managed Care – A comprehensive approach to the provision of health care that combines clinical services and administrative procedures with an integrated, coordinated system to provide timely access to cost-effective primary care and other medically necessary services; generally utilizes a capitated model.

Managed Care Enrollment – See Enrollment.

Managed Care Entity (MCE) - Described in the Social Security Act (Section 1903(m)(1)(A)).

Managed Care Organization (MCO) – An entity that has, or is seeking to qualify for a comprehensive risk contract and that is:

- A Federally Qualified HMO that meets the advance directive requirements of 42 CFR 489 subpart I; or
- Any public or private entity that meets the advance directive requirements and is determined to also meet the solvency standards of 42 CFR 438.116.

Mandatory Enrollment – The process whereby an individual eligible for NJ FamilyCare/Medicaid is required to enroll in an HMO to receive the services described in the standard benefits package as approved by DMAHS through necessary Federal approval.

Marketing – Any activity by or means of communication from the Contractor, subject to approval and direction from the State, intended to advise, inform or educate the program applicants, enrollees or other interested parties, as necessary, of issues pertaining to NJ FamilyCare/Medicaid and the Premium Support Program.

Marketing Materials – Materials produced in any medium by the Contractor at the direction and approval of the State, and that can reasonably be interpreted as intended to market information to potential enrollees.

Medicaid – State-administered, federally-and State-funded medical assistance program as authorized in Title XIX of the Social Security Act.

Medicaid Eligibility Identification Number (MEIN) – Twelve (12) digit identification number.

Medicaid Managed Care Program – Program known as the NJ FamilyCare/Medicaid Program outlined in this RFP.

Medicare – The federal health insurance program for people 65 years of age or older, individuals disabled for months, and people with End-Stage Renal Disease (permanent kidney failure with dialysis or a transplant).

Member – See definition for Beneficiary.

Modification – A change in the manner of performance of the Contractor under the contract. A modification must be agreed to in writing by the State Contract Manager.

Modified Adjusted Gross Income (MAGI) – A standard, consistent with tax policy, utilized in Medicaid, CHIP and in determining premium tax credits. MAGI is an individual's or family's gross household income with some adjustments. MAGI applies to newly-eligible individuals, as well as those who qualify under existing eligibility with exceptions for the elderly, foster children, low-income Medicare beneficiaries and those receiving supplemental security income (SSI).

Municipality Code – Numeric code used to identify a particular city, town or village incorporated for local self-government.

New Jersey Care...Special Medicaid Programs – Programs for pregnant women and children up to age 1 with incomes at or below 185 percent of the federal poverty level, and aged, blind and disabled individuals with income below 100 percent of the federal poverty level.

New Jersey State Plan or the "State Plan" – DHS/DMAHS document filed and approved by CMS that describes the NJ FamilyCare/ Medicaid program.

N.J.A.C. – New Jersey Administrative Code.

NJ FamilyCare – Title XXI program providing health insurance to children, low-income parents and childless adults who are not otherwise insured.

NJ FamilyCare - Plan A – State-operated program that provides comprehensive, managed care coverage to uninsured children below the age of 19 with family income up to and including 142 percent of the federal poverty level, pregnant women up to 200 percent of the federal poverty level, and beneficiaries eligible for managed long term support and services (MLTSS). In addition to covered managed care services, eligibles under this program may access certain other services that are paid fee-for-service by the State.

NJ FamilyCare - Plan B – State-operated program that provides comprehensive, managed care coverage to uninsured children below the age of 19 with family income above 142 percent and up to and including 150 percent of the federal poverty level. In addition to covered managed care services, eligibles under this program may access certain other services that are paid fee-for-service.

NJ FamilyCare - Plan C – State-operated program that provides comprehensive managed care coverage to uninsured children below the age of 19 with family income above 150 percent and up to and including 200 percent of the federal poverty level. Eligibles are required to participate in cost sharing in the form of a personal contribution (co-pay) to pay for most services. **Exception:** Both Eskimos and Native American Indians under the age of 19 years old, identified by Race Code 3, may not participate in cost sharing, and may not be required to pay a personal

contribution to care. In addition to covered managed care services, eligibles under this program may access certain other services that are paid fee-for-service.

NJ FamilyCare - Plan D – State-operated program that provides managed care coverage to uninsured children below the age of 19 with family incomes between 201 percent and up to and including 350 percent of the federal poverty level.

Eligibles with income above 150 percent of the federal poverty level are required to participate in cost sharing in the form of monthly premiums and/or copayments for most services with the exception of both Eskimos and Native American Indians under the age of 19 years. These groups are identified by Program Status Codes (PSCs) or Race Code on the eligibility system as indicated below. For clarity, the Program Status Codes or Race Code, in the case of Eskimos and Native American Indians under the age of 19 years, related to Plan D non-cost sharing groups are also listed. Some of the Program Status Codes listed below include certain restricted alien adults. Therefore, it is necessary to rely on the capitation code to identify these clients. PSC Cost Sharing 487*, 488*, 493, 494, 495, *copayments only. Race Code No Cost Sharing 3.

In addition to covered managed care services, eligibles under these programs may access certain services which are paid fee-for-service.

NJ FamilyCare – ABP (Alternative Benefit Plan) – State-operated program that provides managed care coverage to parents between the ages of 19-64 with income up to and including 133 percent of the federal poverty level, and childless adults between the ages of 19-64 with income up to and including 133 percent of the federal poverty level. In addition to covered managed care services, eligibles under this program may access certain other service which are paid fee-for-service by the State.

Non-Covered MCO Services – Services that are not covered in the MCO's benefits package.

Non-Covered Medicaid Services – Services that are not covered by the New Jersey Medicaid State Plan.

Non-Participating Provider – Provider of service that does not have a contract with an MCO.

Notice - A formal announcement, notification or warning, including an announcement of one's intention to withdraw from an agreement.

Office of Information Technology (OIT) – The central IT organization that oversees the technology infrastructure for the Executive Branch of New Jersey State government. It is this infrastructure that enables the State to deliver vital services to New Jersey's citizens and businesses every day.

OIS – Office of Information Systems within DMAHS.

Penalty – Punishment, especially a sum of money, required as forfeiture for an offense.

Personal Contribution to Care (PCC) – Portion of the cost-sharing requirement for NJ FamilyCare Plan C and Plan D enrollees in which a fixed monetary amount is paid for certain services/items received from MCO providers.

Pharmacy Lock-in – Program designed for NJ FamilyCare/Medicaid beneficiaries determined to have misused, abused or over-utilized benefits and who are required to use one pharmacy for all their prescription drugs. Over-utilization occurs when a beneficiary has utilized Medicaid/NJFC services or items at a frequency or in an amount that is not medically necessary. Examples of

misuse or abuse include, but are not limited to, medically harmful or inappropriate use of different drugs or forgery/alteration of prescriptions.

Plan Selection Form (PSF) – The form used to select the managed care organization.

Pre-Mandatory Enrollment – Enrollment of clients into managed care programs before such clients have received a mandatory enrollment package.

Premium – A payment contribution and responsibility incurred by the enrollee towards the purchase of health insurance.

Premium Support Program (PSP) – A program designed to assist working NJ FamilyCare families to purchase available employer-sponsored comprehensive health insurance when health coverage is available through the beneficiary's employment, but the premiums are unaffordable to the employee.

Program Integrity – Activities that protect the programs administered in whole or in part by DMAHS from fraud, abuse, waste and error.

Project – The undertaking or services that are the subject of this RFP and the awarded contract.

Quality Assurance (QA) – A systematic process to ensure a product or service being developed is meeting specified requirements.

Quality Control Review – Process, mechanism and/or report whereby the appropriateness and correctness of standards, as defined and prescribed by the contract resulting from this RFP, are measured, evaluated and reported with an emphasis to improve and correct any discovered deficiencies.

Quality Management – The act of overseeing all activities and tasks needed to maintain a desired level of quality assurance. This includes creating and implementing quality planning and assurance, as well as quality control and quality improvement.

Recipient – Beneficiary who receives services.

Records – Applies to documents and reports in hard copy, electronically stored and electronic versions.

Redetermination – The examination of all facts and circumstances relating to the beneficiary's application for continuation of NJ FamilyCare/Medicaid eligibility.

Renewal – See Redetermination.

Retention Program – An initiative to maximize the response to the renewal process. Activities include but are not limited to:

- Calling customers who do not respond to information sent through the mail;
- Assisting families with the completion of enrollment or renewal packages;
- Making home visits to families not responding to the renewal process; and
- Preparing all required activity reporting.

Retention Unit – A staff of HBCs and supervisors responsible for implementing the Retention Program.

SSI-Related – Programs that use SSI eligibility methodology.

Supplemental Security Income (SSI) – Program administered by the Social Security Administration, which provides cash assistance and full Medicaid benefits for individuals who meet the definition of aged, blind, or disabled and who meet the SSI financial needs criteria.

Temporary Assistance for Needy Families (TANF) – Instituted in 1996 and created by the Personal Responsibility and Work Opportunity Act, provides temporary financial assistance while aiming to get people off of that assistance, primarily through employment. There is a maximum of 60 months of benefits within one's lifetime. TANF recipients are required to find a job within 24 months of receiving aid.

Title XIX – A section of the Social Security Act governing the Medicaid program that outlines state's responsibilities in administering the program.

Title XXI – A section of the Social Security Act governing the Children's Health Insurance Program (CHIP) that outlines state's responsibilities in administering the program.

Third Party Liability (TPL) - When a third party is liable to pay part or all of medical costs. This includes, but is not limited to, Medicare, medical insurance, tort, no-fault auto insurance and personal injury protection (PIP) payments.

Transfers - Occurs when an enrollee wishes to change MCOs resulting from dissatisfaction with an MCO, difficulties with the PCP or other medical professionals or as a result of moving so that obtaining services from the MCO is not feasible.

Umbrella Organization - An organization that provides information regarding local or state advocacy/service groups that assist beneficiaries in the assessment of medical, social or educational services.

Voluntary Enrollment - Enrollment of an individual in an MCO before they are required to do so, or one who enrolls in an MCO while not required to be enrolled in an MCO due to their categorical status in the Medicaid program.

Waiver – An approved Federal waiver of portions of the Social Security Act that permits the State to mandatorily enroll certain individuals into managed care programs.

3.0 SCOPE OF WORK

3.1 GENERAL REQUIREMENTS

3.1.1 CONTRACTOR LOCATION

The Contractor shall establish an office and operations center to perform all Contractor functions as the Health Benefits Coordinator for NJ FamilyCare/Medicaid. For the convenience of DMAHS staff, the Contractor's Office, operations and management facilities shall be located in New Jersey and within a ten (10) mile radius of the present DMAHS facility located at Quakerbridge Road in Hamilton, New Jersey.

3.1.2 SPACE FOR STAFF

The Contractor shall provide separate office space for the use and occupancy of DMAHS' Contract Management Office. Space allocated shall include fully enclosed, lockable and private management offices for five (5) full time employees (FTEs), work stations for three (3) support FTEs, a conference or meeting room sufficient in size to accommodate twenty (20) persons and capable of guaranteeing the privacy and confidentiality of the meeting attendees.

The Contractor shall also provide space and work stations sufficient in size and number to support the occupancy of approximately one (1) supervisory and twelve (12) additional DMAHS FTEs that will be located at the Contractor's site for purposes such as contract monitoring, training and/or liaison.

Finally, the Contractor shall provide space and work stations sufficient in size and number to support the occupancy of the DMAHS Medicaid staff comprised of approximately one (1) supervisory and eight (8) additional DMAHS FTEs that will be located at the Contractor's site.

These areas shall be in such a location as to guarantee complete facility privacy (including common rooms, rest rooms, etc.) and ensure confidentiality separate and apart from the Contractor's operations.

3.1.3 FURNISHINGS, EQUIPMENT AND SUPPLIES

The Contractor shall provide all office furnishings, supplies and equipment, including telephones, copying/scanning equipment, computers, printers, facsimile equipment and any audio-video equipment necessary. The Contractor shall also provide e-mail access between the Contractor and State staff in all locations and facilities including remote (county) locations as well as field personnel not tied to a particular facility. Computers must have inter-connectivity to all State eligibility systems as well as the Federal Marketplace.

3.1.4 COUNTY OFFICE SPACE

The Contractor shall establish handicapped-accessible offices in all New Jersey counties, which will be used to conduct face-to-face meetings on an individual basis. Such offices shall provide convenient access to NJ FamilyCare/Medicaid applicants and beneficiaries. Operational hours shall be consistent with those utilized by the County Welfare Agency (CWA) office(s) in the county within which they are operating.

The Contractor may establish an arrangement with individual CWAs for the utilization of space. However, many of the 21 CWAs may possess limited space to accommodate at most one (1) or two (2) Contractor Health Benefits Coordinators. In such instances, it is incumbent on the Contractor to arrange its own county-specific office space. County office space may be used to

meet with those who need assistance with eligibility or managed care program issues, are new to Medicaid, need to transfer enrollment between MCOs or to perform intake functions for NJ FamilyCare.

The need for a Health Benefits Coordinator at all of the CWAs will be evaluated by the State Contract Manager. The office space must be fully functioning with connectivity to all State eligibility systems and the Federal Marketplace to update statuses in cases and enrollment into MCO.

3.1.5 POLICIES AND PROCEDURES

Subject to State approval, the Contractor shall develop and implement a Policy and Procedures Manual that governs all operations in effect under the contract. The final, State-approved Policy and Procedures Manual, containing all State-determined revisions, additions and other changes shall be due at least thirty (30) business days prior to the contract operational date.

3.1.6 FINANCIAL AND OPERATIONS AUDIT

On an annual basis, the Contractor shall secure the services of an independent certified public accounting (CPA) firm to conduct a financial and operations audit of the Contractor's overall performance. A copy of this annual audit and its supporting documentation shall be submitted to the State Contract Manager for review and approval.

Copies of the independently conducted financial and operations audit shall be submitted and due to the State Contract Manager on the first business day of the third quarter of the subsequent year of operation. Therefore, the document's submission must be provided within six (6) months of the end of the contract operation year.

Should this independent audit find potential and/or actual evidence of fraud or abuse, the Contractor shall, at the State's direction, secure and pay the State for the services of a forensic auditor to conduct a forensic investigation and audit to determine the extent of fraud or abuse that is the subject of the finding of the independent audit.

3.1.7 NOTIFICATION OF PROBLEMS

The Contractor shall immediately notify the State Contract Manager by telephone and/or email of all problems upon discovery and that may affect the daily operations of the contract or any area impacting the Contractor's operations.

All reports, notifications, operational status summaries or other documentation or information requested by the State that applies to the corrective action plan shall be supplied, at no additional cost, and within a twenty-four (24) hour period. The State Contract Manager will accept or modify the corrective action plan within forty-eight (48) hours.

3.1.8 DOCUMENT MANAGEMENT AND STORAGE

Records shall be maintained for applicants/enrollees in accordance with Federal Medicaid Regulations 45 Code of Federal Regulations (CFR), Part 74. HIPAA compliant confidentiality of the enrollee files shall also be ensured. Such files shall be stored electronically in compliance with all State rules and regulations regarding electronic records. Specifically, the Contractor shall:

- Secure facility space sufficient in size to physically maintain the custody of all records electronically, further creating and employing a process to identify and retrieve all files or records and transmitting them to the State, within two (2) business days of any request.

- Maintain and store all records and files for a period of not less than five (5) years or the total duration of the contract, at a facility within the State. The facility shall be accessible to representatives of DMAHS and other agencies of the State or federal government upon request.
- Be responsible for electronic delivery of any record or file resulting from a request that may be generated by the State, government agency or authorized individual.
- Transfer all records and files in an organized retrievable electronic format to DMAHS or a replacement Contractor upon completion of the contract.
- Complete and renew a New Jersey Division of Archives and Record Management (DARM) Electronic Document Storage Certification on an annual basis.

All records created, collected and received by the Contractor for beneficiaries are the State's property, and remain so for the duration and at the conclusion of the contract.

3.1.9 INDUSTRY STANDARDS AND CONDITIONS

The Contractor shall ensure alignment of its services, processes, work products and deliverables with industry standards as follows:

- HIPAA security;
- Privacy and transaction standards;
- MARS-E (Minimum Acceptable Risk Standards for Exchanges) according to Section 155.260 of the US Department of Health and Human Services (HHS) Final Rule;
- Accessibility standards established under Section 508 of the Rehabilitation Act;
- Compliance with federal civil rights laws;
- Standards adopted by the Secretary under Section 1104 of the ACA; and
- Standards and protocols adopted by the Secretary under Section 1561 of the ACA.

3.2 STAFFING REQUIREMENTS

The Contractor shall ensure that the number and types of personnel are sufficient to guarantee compliance with the performance standards specified in this RFP.

Employees must be familiar with all required responsibilities of the programs, including eligibility processing and managed care enrollment. The Contractor shall ensure all staff are culturally competent, i.e., respectful of health-related beliefs, communication styles, cultural values, behaviors and attitudes and trained to work with the unique needs of the NJ FamilyCare/Medicaid population. The Contractor shall also provide a sufficient number of staff with multi-lingual capabilities able to communicate effectively with the diverse populations in New Jersey.

The Contractor shall ensure all staff complete a competency test upon completion of training prior to assuming their duties, a copy of which must be maintained in their employee file.

The State Contract Manager may require the removal or reassignment of any Contractor or subcontractor employee that the State Contract Manager deems unacceptable. The Contractor shall remove any staff member immediately upon request by the State Contract Manager. The State Contract Manager's decision on this matter is not subject to appeal.

The Contractor shall conduct refresher training to address any program, policy or process changes.

All job vacancy announcements, applicant resumes and hiring of staff is subject to State approval prior to implementation of any activities.

3.2.1 KEY PERSONNEL

The Contractor shall obtain written approval of all key personnel identified in its proposal from the State Contract Manager within thirty (30) days of contract award. No changes to key personnel presented in the proposal shall be made without advance written approval from the State Contract Manager.

The Contractor shall notify the State Contract Manager at least thirty (30) business days in advance of any proposed change in key personnel and provide the rationale for the change. The Contractor shall furnish a resume for all changes to key personnel and provide a proposed replacement plan. The Contractor shall ensure that all replacements to key personnel throughout the term of the contract meet the same requirements and qualifications for the position as the originally proposed key personnel.

The Contractor shall provide, at a minimum, the following levels of staffing:

- Project Director;
- Implementation Project Manager;
- Operations Manager;
- Call Center Manager;
- Health Benefits Coordinator Supervisor(s);
- Outreach Supervisor(s); and
- Training Staff.

3.2.1.1 PROJECT DIRECTOR

The Project Director shall serve as the single point of contact between the Contractor and the State Contract Manager. This individual shall have overall responsibility for the Contractor's operations at the executive level, including authority to make decisions and resolve problems on behalf of the Contractor. The Project Director shall, at a minimum:

1. Possess a Masters' degree, from an accepted and accredited college or university, in an appropriate field (i.e., MBA, MPA or MHA);
2. Have at least six (6) years of management experience in healthcare administration and management;
3. Demonstrate leadership ability;
4. Have in-depth working knowledge of Managed Care, Medicaid, Children's Health Insurance Program (CHIP) and low income populations;
5. Be knowledgeable of New Jersey health care, social services, geographic and demographic environments; and
6. Be present full-time at the Contractor's primary New Jersey location.

3.2.1.2 IMPLEMENTATION PROJECT MANAGER

The Implementation Project Manager shall be responsible for all activity associated with implementation of the contract from the contract award date until the operational contract date. The Implementation Project Manager shall, at a minimum:

1. Possess a Bachelors' degree;
2. Have experience in successfully leading and managing large-scale, complex implementations;

3. Have in-depth knowledge of Health Benefits Coordinator services, managed care programs and systems, healthcare, Medicaid, SCHIP, low income populations and call center operations;
4. Have overall responsibility for the timely completion of the Contractor's implementation and transition tasks;
5. Be responsible for coordination of implementation activities and allocation of resources; and
6. Be located in the Trenton New Jersey area and on-site on a daily basis with 100% dedication to contract implementation.

3.2.1.3 OPERATIONS MANAGER

The Operations Manager is responsible for the performance and operations related to the Contractor's obligation for all functions of the contract, including the authority to make decisions and resolve problems on behalf of the Contractor. The Operations Manager shall, at a minimum:

1. Possess a Bachelors' degree;
2. Have in-depth knowledge of Health Benefits Coordinator services, managed care programs and systems, healthcare, Medicaid, SCHIP, low income populations and call center operations;
3. Be responsible for coordination of activities and allocation of resources; and
4. Be located in the Trenton New Jersey area and on-site on a daily basis.

3.2.1.4 CALL CENTER MANAGER

The Call Center Manager oversees all aspects of the operations of the Call Center to assure performance as required in the scope of work. This individual shall, at a minimum:

1. Possess a Bachelors' degree;
2. Have extensive experience with, and knowledge of, Call Center operations; and
3. Be located at the site of the Call Center operations.

3.2.1.5 HEALTH BENEFITS COORDINATORS (HBCS)

HBCs are the foundation of a successful contract. The HBCs shall, at a minimum:

1. Possess an Associates' degree from an accredited college or university;
2. Have two (2) years of customer service experience in a healthcare field and knowledge of Medicaid and managed care programs;
3. Have knowledge of the State's health care and social service environment; and
4. Have knowledge of New Jersey's geographic and demographic structure.

3.2.1.6 MANAGERS/SUPERVISORS

At a minimum, Managers/Supervisors shall:

1. Possess a Bachelors' degree;
2. Have experience in their specific area of responsibility; and
3. Have knowledge of healthcare and managed care.

3.2.1.7 TRAINING STAFF

The Training Manager/Supervisor shall, at a minimum:

1. Possess a Bachelor's degree from an accredited college or university;
2. Have a minimum of three (3) years professional experience in the field of human resource development and training;
3. Trainers shall possess a Certificate of Training or Human Resource Development from an accredited college, university or training institute.

As approved by the State on a case by case basis, the Training Manager/Supervisor applicants who do not possess the required education may substitute additional experience as indicated on a year-for-year basis with thirty (30) semester hour credits being equal to one (1) year of experience.

3.2.2 BACKGROUND CHECK DOCUMENTATION

As a condition of employment and for purposes of determining a person's qualifications for employment, the Contractor shall undertake a criminal history record background check for all Contractor and subcontractor personnel assigned to work on the contract pursuant to regulations promulgated under N.J.A.C. 13:59-1.1 et seq.

The Contractor shall submit to the New Jersey State Police Bureau of Identification (SBI) an "application" fingerprint card, a request for criminal history record information form (SBI-212B), and the appropriate fee for all Contractor and subcontractor personnel it may assign to work on the contract. The Contractor shall not permit any newly hired, re-hired or transferred personnel to work on this contract until the SBI has furnished the results of the criminal history record background check to the Contractor.

The criminal background check shall check for:

- Convictions for any State or federal crimes or offenses, including disorderly persons offenses;
- Civil or administrative judgments that may adversely affect the employee's integrity, a professional license etc.;
- Financial problems that may lead to criminal activity or corruption; and
- Exclusions by the Office of Inspector General or New Jersey Consolidated Disbarment Report.

The Contractor shall be required to retain the results of an individual's criminal history background check as long as that person is assigned to the contract. The results of the criminal history background check shall be made available to the State Contract Manager upon request.

If the Contractor has had a State Police background, criminal and fingerprinting check performed for the employee that meets the exact criteria specified above, the check may be accepted by the State Contract Manager at the State's sole discretion. Any such reference check must have been during the period of the contract or no later than six months from the contract effective date.

The Contractor must ensure that all of its personnel and the personnel of any subcontractor observe all regulations in effect, including security sign-in/sign-out procedures. Under no circumstances shall the Contractor or its personnel represent themselves as employees of the State. The above mentioned sign-in procedure and sign-in sheet shall be the official record of employees for all purposes of the contract. This shall be used by the State Contract Manager for Contractor employee and work verification purposes.

The Contractor shall develop and maintain an ongoing and current written list of all personnel used on the contract. This list shall be updated and supplied in writing to the State Contract Manager at least twenty-four (24) hours before a new employee reports for work on the contract. The list shall include a current active list of the "pool" of back-up employees required under the various staffing requirements of this RFP. It must include the employee's full name, date of birth

and social security number. When new personnel are assigned, this information shall be given to the State Contract Manager immediately and clearly identified as an update to the initial list. The Contractor shall undertake and receive the results of the criminal history record background check for all personnel prior to submitting the updated list to the State Contract Manager for approval and before assigning the employee to work on the contract.

The Contractor is fully responsible for the conduct of its employees. If there is any need for intervention by the State security force or other State supervisory personnel because of behavior, security breaches or general misconduct, the Contractor shall immediately remove the employee from the contract work and replace this employee on a permanent basis. Further occurrences will result in termination of the contract.

All security procedures established by the State must be observed by the Contractor and Contractor's personnel.

3.2.3 REDUCTION IN FORCE APPROVAL

The Contractor shall advise and obtain approval from the State, prior to instituting any Reduction-in-Force (RIF), as it may apply to or impact the contract, supplying the names of employees affected, and how the Contractor intends to meet contract performance standards with the potential decrease in employees that may result from the RIF.

3.3 CUSTOMER SERVICE CALL CENTER OPERATIONS

3.3.1 TELEPHONE CALL CENTER FUNCTIONS

The Contractor's Call Center shall provide information pertaining to NJ FamilyCare/Medicaid and Premium Support Programs (PSPs). The Call Center's customer service staff shall possess the knowledge and ability to provide the following:

- An overview of the NJ FamilyCare/Medicaid Program eligibility rules.
- Current information including actual status related to a beneficiary's enrollment and potential transfer between MCOs
- Assistance on all aspects of programs that may influence an individual's enrollment, use of benefits and access to providers and care under NJ FamilyCare/Medicaid and PSPs.
- Assistance in the selection of MCOs and the managed care enrollment process.
- Assistance regarding the geographic settings in the State, specifically as they apply to the enrollment of individuals.
- Assistance in any transfer process an enrollee may require between MCOs.
- Assistance in the scheduling of any requested or needed home visitations to applicants and enrollees by field staff personnel.
- Assistance in the scheduling of visitations between applicants, enrollees and field personnel at events, facilities, sites or other locations where the Contractor physically may meet with a customer.
- Assistance with the grievance or complaint process as it relates to managed care and the NJ FamilyCare/Medicaid Program.
- Access to both the Eligibility Processing and Management System (EPMS) and Managed Care Enrollment System (MCES).
- Assistance and direction for applicants' application packets, forms, brochures, educational materials, renewal forms or other documentation.
- A prompt response in generating and mailing all application packets, forms, brochures, educational materials, renewal forms or other documentation.

- The current status of an applicant's application processing, program plan eligibility (Plans A, B, C, D, etc.), enrollment in the NJ FamilyCare/Medicaid Program and effective date of enrollment.
- Assistance and information related to the renewal process, factors that influence any change in status concerning renewals, such as income, and where an individual may go to obtain renewal assistance.
- Assistance on issues or status related to missing information.
- Assistance concerning cases involving eligibility processing by the twenty-one (21) CWAs, which may include technical issues associated with the screening, imaging or tracking of cases referred to the CWAs.
- Assistance concerning any contributory premiums, including required amounts according to the Plan, submission requirements, payment dates, etc.
- Assistance concerning the presumptive eligibility process.
- Access to all State eligibility systems.
- Change or update case files, HMO selection, address, phone number, State status change process.

Any problems or issues that are beyond the scope of the HBC shall be forwarded to the appropriate operational staff to ensure a prompt resolution.

In accordance with the overall requirements for the operation of the Call Center, the Contractor shall ensure that all Call Center personnel are trained and competent in responding to any inquiries, complaints, educational or enrollment needs of beneficiaries as they specifically relate to managed care.

3.3.2 CALL CENTER FACILITY

The Contractor shall establish, operate and maintain a telephone Call Center with toll-free dedicated "800" telephone lines, and corresponding numbers, for the NJ FamilyCare/Medicaid programs. The currently established 800 numbers (1-800-701-0710, TTY 1-800-701-0720) shall be retained. This facility must be located within a ten (10) mile radius of the present DMAHS facility located at Quakerbridge Road in Hamilton, New Jersey.

The Contractor shall ensure that the number of toll-free, dedicated "800" telephone lines are sufficient in number to accommodate the needs of the NJ FamilyCare/Medicaid programs, and any other program(s) that may be established. Indications of call volumes will be available in the program reports to be made available in the Document Review Site.

The Contractor shall guarantee that an adequate number of phone lines exist to handle all incoming calls in accordance with the performance standards. Currently the Call Center receives on average 5,600 calls per day.

The Contractor's Call Center and phone lines must accommodate all calls transferred from the National Kids Now toll-free telephone number (1-877-KIDS-NOW). The Kids Now Hotline automatically connects callers to their State's Children's Health Insurance Program or Medicaid Program. The Contractor shall establish and ensure that an operational, seamless connection exists between the National Kids Now Hotline and the Contractor's designated toll-free number.

The toll-free number shall be fully active Monday through Friday from 8:00 a.m. until 5:00 p.m. EST, in addition to at least two (2) late evenings per week per the State's direction. The Contractor shall maintain hours of business on the same schedule as the State or as may be approved by the State.

All toll-free numbers shall be fully operational on the contract operational date.

3.3.3 SUPERVISORY OVERSIGHT

Consistent with overall staffing requirements, the Contractor shall provide supervisory oversight for all Call Center personnel sufficient in number so as to ensure that all Call Center performance standards are met. The Contractor shall perform ongoing monitoring of Call Center personnel and report to the State on a monthly basis all problems identified and corrective action taken. The staffing plan for the Call Center, including management and supervision, shall remain subject to State review and approval. A ratio of one (1) Supervisor to every ten (10) Call Center personnel shall be the minimum ratio.

The Contractor shall notify the State to obtain approval of any proposed Call Center reorganization, restructure, revised policies or procedures, etc., before any such changes are implemented.

In the event a caller wishes to speak with a Call Center Supervisor and the Supervisor is not available, the call shall be transferred to the Call Center Supervisor's voice mail. The Supervisor shall return all voice mail messages within one (1) business day after the call was received. If initial contact is not made, two (2) additional return calls shall be made within five (5) business days of the initial customer call.

A system-generated Supervisor Response Log, with a supporting report, shall be produced by the Contractor each day documenting:

- when the call was received;
- when the call was returned;
- the beneficiary/client who made the call;
- outcome of the call; and
- if a follow-up call was required and when it was made.

3.3.4 AFTER-HOURS MESSAGE SYSTEM

The Contractor shall utilize a Call Center phone mail system for the receipt of incoming calls received after established business hours.

The Contractor shall develop, install and maintain a process whereby the after-hours phone mail system allows sufficient time for the caller to leave a detailed message and shall further contain prompts such as reminding the caller to leave his/her telephone number and account number or other identification number. Required menu prompts, or choices, shall be simple and minimal in number, and must include examples and/or instructions for requesting an application, determining the status of an application, requesting information about a program, etc.

All messages left on the after-hours phone mail system shall be returned within one (1) business day. When a return call is made, and no answer is received or a voice mail message is heard, a second call shall be made within one (1) business day of the first call.

3.3.5 CALL CENTER LOG

The Contractor shall institute a process whereby all messages left on the after-hours phone mail system shall be immediately recorded and documented electronically within an identifiable Call Center Log within one (1) business day. The Call Center Log shall include the date, time, name of caller, subject of call, and name of Call Center HBC further detailing the overall outcome or disposition of the return calls. The Contractor shall institute a process to enable the State's

review of this log upon request. The Contractor shall provide a hard copy version of the log, detailing any day's activity, upon request.

The Contractor shall also provide a Call Center Daily Activity Log reporting the previous day's activity to the State Contract Manager for review against contract standards.

3.3.6 CALL CENTER RESPONSE

The Contractor shall respond quickly and efficiently to general caller questions, requests for application packages, enrollment materials, requests for marketing material, renewal materials, eligibility cards, invoices, etc.

The Contractor shall mail all requests for materials within two (2) business days of the customer's request. No more than two (2) business days shall elapse between the time the request was made and the postmark of the materials to the caller.

The Contractor shall maintain an electronic/hardcopy Call Center mailing log/report that details and documents all information relative to the request and its disposition.

3.3.7 URGENT/PROBLEMATIC CALL CENTER CASES

The Contractor shall develop a process whereby urgent and acute case calls received by the Call Center are recorded systematically in an urgent call log for processing within one (1) business day.

The Contractor shall implement a procedure whereby all Call Center cases identified as either urgent or problematic in nature are processed to final disposition, and appropriately recorded within a Call Center log, within three (3) business days. Cases of this nature may include those that have been in a pending status, have necessitated multiple contacts by the beneficiary or where difficulty has been encountered with the receipt of faxes or other information. The log shall be forwarded to the State on a weekly basis.

Weekly phone outreach and follow-up shall be conducted by the Contractor and recorded in the log until a final determination is made.

3.3.8 LANGUAGES UTILIZED

The Contractor shall provide information to callers in both English and Spanish. For beneficiaries requiring communication in another language, the Contractor shall provide access to a translation service that accommodates all languages spoken by New Jersey residents. A listing of such languages is available at www.mla.org/map-data.

The Contractor shall employ English and Spanish speaking HBCs to ensure compliance with all performance standards.

3.3.9 AUTOMATED CALL DISTRIBUTION

The Contractor shall install and operate Automated Call Distribution (ACD) equipment capable of handling call volume and monitoring Call Center telephone staff performance.

3.3.9.1 TELEPHONE DEVICE FOR THE DEAF (TDD)

The Contractor shall install and operate TDD or TTY (Tech-Telephone) equipment capable of serving the hearing-impaired.

3.3.10 REAL-TIME MONITORING

The Contractor shall provide a mechanism for monitoring voice systems that allows designated State staff to conduct real-time and automated monitoring for both inbound and outbound telephone calls. Call Center Supervisors shall perform real-time monitoring for 10% of the daily call volume randomly selected.

The Contractor shall track all telephone monitoring activities and provide a copy of the tracking report to the State Contract Manager.

Call Center electronic monitoring evaluation forms shall include, at a minimum, the information contained on the sample available in the Document Review Site. Supervisory personnel shall review all Call Center monitoring evaluation forms daily. The Contractor shall discuss all problems, inconsistencies or discrepancies with the associated HBC within one (1) business day. All meetings between Call Center HBCs and their respective Supervisors shall be documented on the Call Center evaluation form, detailing any need for corrective action.

The Contractor shall produce all Call Center evaluation forms reflecting the prior day's activities on a daily basis or immediately upon request by State staff.

3.3.11 CALL CENTER QUALITY TRAINING

All Call Center HBCs displaying poor performance or who fail to be in compliance with performance requirements or standards shall receive coaching and/or refresher training by Call Center supervisory staff. The Contractor shall provide written documentation to the State Contract Manager within one (1) business day confirming that the remedial coaching and/or training has occurred.

3.3.12 CALL CENTER MANAGEMENT SYSTEM

The Contractor shall install and operate a Call Center Performance Management System capable of providing automated voice recording, synchronized screen capture, on-line evaluation and comprehensive reporting.

3.3.13 STATE MONITORING SPACE

The Contractor shall provide a private office that enables the State to directly monitor Call Center operations. The office shall contain a computer, printer, telephone and equipment, as required, to assess and manage all telephonic monitoring activities.

3.3.14 CALL CENTER PERFORMANCE STANDARDS

The Contractor shall adhere to the following performance standards and service levels to be evaluated weekly on an aggregate basis:

- Call Center service levels shall be maintained at 80% of telephone calls answered within 90 seconds for all calls in the queue;

- Call Center abandonment rates shall not exceed 5% of all calls contained in the queue;
- Call Center average speeds to answer all calls shall not exceed 90 seconds for all calls in the queue;
- Call Center busy rates, on all incoming calls, shall not exceed 5%; and
- Waiting times in the queue shall not exceed 80 seconds.

3.3.15 CALL CENTER SERVICE STANDARDS

The Contractor shall develop a process to measure and correct any deficiencies in Call Center HBC performance. This process shall ensure that operators adhere and perform in accordance with the following minimum standards. All Call Center staff shall:

- Provide courteous, prompt attention to the caller's needs;
- Respect the caller's privacy during all communications and calls;
- Maintain sensitivity to the diversity inherent in all cultures;
- Display and communicate a completely professional demeanor at all times;
- Ensure the dissemination of accurate information to all callers; and
- Ensure a maximum hold time not to exceed 45 seconds, after a call has been answered.

3.3.16 PROBLEM IDENTIFICATION AND NOTIFICATION

The Contractor shall develop a Problem Identification and Notification System to enable State and Contractor staff to identify, through routine monitoring, the dissemination of incorrect information, wrong procedures, errors or oversights by the Call Center or any other Contractor unit.

The Contractor shall generate an electronic alert describing the problem along with the correct information on procedures to be followed and distributed, subject to prior authorization by the State Contract Manager, within one (1) business day of any incident.

3.3.17 CALL CENTER TRAINING GUIDE

The Contractor shall develop and maintain an online searchable training guide containing all current training materials, policies and procedures, directives, alerts and any other memoranda or documentation pertaining to Call Center operations. The electronic training resources shall be available to all Call Center personnel upon employment.

The training resources, updates, revisions, amendments and changes shall be approved by the State Contract Manager.

3.3.18 CALL CENTER REPORTS

The Contractor shall construct and provide both a weekly report and a monthly report to the State Contract Manager that demonstrates the Contractor has complied with all Call Center contract requirements.

3.3.19 INTERACTIVE VOICE RESPONSE (IVR) SYSTEM

The Contractor shall install and operate an Interactive Voice Response (IVR) system to provide real-time access to account information, including payment information, statement information, documents received, program renewal information, application documentation information, mailing addresses, fax numbers, and website URLs.

In addition, the IVR shall be capable of performing the following:

- Personalized voicemail to improve member experience by providing important case information that may be accessed securely by members at their convenience 24 hours per day, 7 days per week.
- Address change automation to provide members with the ability to make address changes via the IVR and proactively notify members when mail has been returned due to incorrect address.
- Member communications delivered via text messaging (SMS) to provide members with the option to receive account information via SMS text.
- Ability to request information via SMS text including real-time access to member account information such as account balance and last payment made, and also allow members to access IVR from their mobile device to make payments.

Electronic Notices (45 FR 435.918, 45 CFR 155.230) – Members have a choice to receive electronic eligibility determination notices. The Contractor shall provide members with a choice to receive notices and information in electronic format or by regular mail and the member shall be permitted to change such election at any time. If the member elects to receive communications electronically, the Contractor shall:

- Ensure that the member's election to receive notices electronically is confirmed by regular mail;
- Ensure that the member is informed of his/her right to change such election to receive notices through the regular mail;
- Post notices to the member's electronic account within one (1) business day of notice generation;
- Send an e-mail or other electronic communication alerting the member that a notice has been posted to his/her account. The Contractor may not include confidential information in the e-mail or electronic alert.
- Send a notice by regular mail within three (3) business days of the date of a failed electronic communication if an electronic communication is undeliverable;
- At the member's request, provide through regular mail any notice posted to the member's electronic account.

The Contractor shall provide a web-based "live help" customer service site to efficiently and effectively assist new and existing customers. The site shall provide pre-written responses to common questions and allow Contractor staff to chat with multiple customers at the same time.

All clients calling the New Jersey HBC shall have an opportunity to access agreed upon information via the IVR 24 hours per day, 7 days per week, and shall always have the option to speak with an HBC at any time during normal hours of operation.

3.4 MAIL ROOM OPERATIONS

The Contractor shall accept all mailed and faxed enrollment forms, applications, missing information, grievances, renewals, plan selection forms, supporting documentation and all program related materials and process them in accordance with contract specifications identified herein.

The Contractor shall establish and maintain a work-flow process whereby any new case material or any document received via mail or fax shall be imaged and assigned a tracking number. If mail is not delivered directly to the Contractor's physical plant (i.e., mail is delivered to a lock box or post office box), the Contractor shall retrieve and process the mail daily, Monday through Saturday as follows:

- Upon receipt of any document, the Contractor shall open, date stamp and electronically image all forms, applications and supporting documentation. Imaged forms, applications and supporting documents shall be assigned a tracking number to ensure immediate electronic case access of the record at all times during the contract's operation.
- The opening, imaging and tracking number assignment and linkage of all imaged documents shall be completed within one (1) business day of receipt by the Contractor.
- The Contractor shall ensure that all State and Contractor employees have access to all imaged documents following the imaged documents' entry onto the Contractor's system.
- Imaged documentation must be accessible to all State eligibility systems.

3.5 APPLICATION AND ELIGIBILITY PROCESSING

3.5.1 OVERALL REQUIREMENTS

For the purposes of processing all NJ FamilyCare applications and NJ FamilyCare/Medicaid MCO enrollments, the Contractor shall be considered the designated State entity for referral and contact unless otherwise specified.

The Contractor shall accept and be capable of processing all applications, enrollment forms and supporting documentation and determine eligibility including amount of applicable premium quickly and accurately in accordance with existing or amended federal and State statute, regulation and procedures.

Applications shall be reviewed in the order received and processed to final disposition within five (5) business days of receipt. Based on contract monitoring activities, the Contractor shall process applications with a 95% accuracy rate.

The Contractor shall generate an appropriate notice of eligibility within one (1) business day of having completed the eligibility determination.

3.5.1.1 DATA ENTRY AND PRELIMINARY ELIGIBILITY ASSESSMENT

The Contractor shall establish and operate a data entry and preliminary eligibility assessment function for NJ FamilyCare applications. The Contractor shall perform a preliminary eligibility assessment within two (2) business days of receipt and determine the appropriate NJ FamilyCare Plan. If the preliminary assessment indicates the applicant(s) are eligible for a NJ FamilyCare/Medicaid program administered by the CWA, the Contractor shall send the case to the appropriate CWA for processing. For all other programs, the Contractor shall retain all applications and associated documents and process to final disposition.

Within five (5) business days of receipt on an application, the Contractor shall generate and mail a notification to the applicant advising them of receipt, and when appropriate the transferring of their application to the designated CWA for processing.

For cases screened as eligible for a NJ FamilyCare/Medicaid program administered by the counties, the notification to the applicant of case transfer to the CWA shall include the date on which the application was received, date of forwarding to the CWA, and the address and telephone number of the CWA to which the application was referred.

In performing any initial eligibility assessment, the Contractor shall abide by the business rules established by DMAHS for governing program eligibility.

During the process of the data entry assessment and initial eligibility screen, applications reporting zero income shall, by default, be forwarded by the Contractor to the CWA within the applicant's county of residence. A case with the income section left blank shall also default to the County Board of Social Services unless verification of income is attached.

3.5.1.2 CASE TRANSMISSION TO COUNTY WELFARE AGENCIES

The Contractor shall forward all documentation to the appropriate CWA upon preliminary determination of the applicant's eligibility for a NJ FamilyCare/Medicaid program administered by the counties, when applicable. Such applications shall be forwarded on a daily basis to the appropriate CWA.

The Contractor shall utilize a geo-access tracking system based on mail zip code, municipal code of residence or other acceptable industry process for forwarding appropriate cases to the respective CWA.

Through use of the Eligibility Processing and Management System (EPMS) the Contractor shall ensure that all imaged application documentation and the tracking number assigned within the initial mail room process, will be matched to all appropriate applications for forwarding to the appropriate CWA.

3.5.1.3 CONTRACTOR NON-PLAN A ELIGIBILITY RESPONSIBILITY

The Contractor shall assume full responsibility for determining an applicant's eligibility for the NJ FamilyCare non-Plan A programs. Applications shall be processed in the order in which received.

The Contractor shall, upon initial determination of the applicant's eligibility of any of the NJ FamilyCare programs, electronically retain all documentation for internal completion of the final eligibility determination by the Contractor's eligibility processing unit. In performing any initial eligibility assessment, the Contractor shall abide by the business rules established by DMAHS for governing program eligibility.

The Contractor shall generate and mail a notification of application receipt, data entry and screening to all applicants within two (2) business days following their imaging and entry on the Contractor's system.

The Contractor shall utilize an automated system, developed using a commercially available and non-proprietary language, to perform the eligibility calculations according to all appropriate State law, regulation and/or policy.

For all applicants, the Contractor shall utilize material obtained from the New Jersey Department of Labor and Workforce Development for wage, IRS through Federal Data Hub, SSA, unemployment and disability files to obtain or validate financial data relating to eligibility. The Contractor must secure access to the Department of Labor and Workforce Development files and the Federal Marketplace for this data.

As necessary, the Contractor shall assume responsibility for the determination of an applicant's eligibility for subsequent NJ FamilyCare eligibility category or Plan in accordance with any federal or State statute, law, regulation, business rule or directive.

3.5.1.4 MISSING INFORMATION

The Contractor shall develop a process to outreach to applicants for incomplete or missing information. This process shall include the ability for applicants to either fax or submit the information in person at a location where the Contractor is present.

Additional information received shall be processed within three (3) business days of receipt. An application shall be considered complete when either a written denial of eligibility is mailed to the applicant or a written statement of eligibility, along with determination of the applicant's premium, if applicable, is mailed.

3.5.1.5 PRESUMPTIVE ELGIBILITY DETERMINATION

The Contractor shall properly and accurately identify NJ FamilyCare presumptive eligibility cases, complete the presumptive eligibility disposition forms forwarded to DMAHS, and return the disposition forms to DMAHS no later than five (5) business days after the date of the termination of latest eligibility segment.

3.5.1.6 ELECTRONIC NJ FAMILYCARE APPLICATION

The Contractor shall establish a link to the NJ FamilyCare web-site by the contract operational date. The link must lead applicants to an electronic NJ FamilyCare application.

Any and all required documentation associated with the submission of electronically transmitted applications shall be requested by the Contractor through the sending and mailing of self-addressed envelopes to all applicants within two (2) business days of receipt of the electronic application.

Applicants shall have the ability to electronically obtain "live help" by using a web-based "live help" customer service function.

3.5.1.7 RETURNED DOCUMENTATION

For all returned mail, the Contractor shall make an attempt to contact the beneficiary/applicant to verify the mailing address within two (2) business days of receipt. Contact shall be attempted by telephone, fax or other accepted modality for the purpose of obtaining the corrected and viable mailing address.

If the Contractor is unable to contact the beneficiary/applicant, for the purpose of securing a correct address, the Contractor shall document, electronically and with a hardcopy, any and all correspondence associated with the case to date.

If mail is returned to the Contractor due to an undeliverable/insufficient address, the Contractor shall attempt telephone contact to verify the correct and current beneficiary address. If telephone contact cannot be made, the Contractor shall generate and mail a letter to the beneficiary advising him/her to contact the Contractor to verify the correct and current address. If no response is received from the beneficiary within twenty (20) days of the date of the letter, the beneficiary shall be advised that his/her eligibility will be terminated.

3.5.1.8 ON-SITE APPLICATION/ENROLLMENT PROCEDURE

The Contractor shall have a procedure to accommodate local community application/enrollment intake and processing of applications (i.e., at churches, schools, community centers, etc.), by the contract operational date. This procedure shall:

- Assist eligible applicants with the application and managed care enrollment process, including explaining the differences between the various MCOs.
- Explain other health coverage choices and special programs that may be available to the applicant/enrollee in a manner that is unbiased as to the choice the individual should make.
- Obtain information on any health insurance that the applicant may possess or be capable of obtaining outside the scope of NJ FamilyCare/Medicaid.
- Access the system remotely to be able to process enrollments or make changes to enrollments.

3.5.1.9 DISTRIBUTION POINTS

The Contractor shall serve as the primary point of distribution for mass mailings of application packages and marketing materials as requested or required. The Contractor shall ensure the distribution points are consistently stocked with adequate supplies.

3.5.2 ELIGIBILITY PROCESSING AND MANAGEMENT SYSTEM (EPMS)

As applied to the processing and determination of eligibility, the Contractor shall design, develop and implement by the contract operational date, an EPMS that, at a minimum provides the following capabilities:

- Performs all calculations necessary in the processing of an application;
- Generates and records all notifications and pertinent documents, including documentation of all actual dates of mailing;
- Electronically tracks, records and amends, as necessary, all applicable beneficiary premium payments;
- Generates all plan-specific required letters, notices, invoices or other correspondence;
- Performs the eligibility calculations according to all appropriate State law, regulation or policy; and
- Generates any and all reports as may be required or requested for the administration and operation of the program.

3.5.3 ELECTRONIC TRACKING

The Contractor shall provide, in association with the development of the EPMS, an electronic tracking capability for all NJ FamilyCare/Medicaid MCO plan selection forms, enrollments and premium collection. Electronic tracking shall begin with receipt of application and other program-related materials. Access to the EPMS shall be available at both the Contractor and State facilities.

The Contractor's tracking system shall provide the current status of all NJ FamilyCare/Medicaid applications or MCO Plan Selection forms, sufficient detail to explain the exact status of an application or Plan Selection Form at the time of inquiry, and at a minimum, provide the following data from the forms:

- Date(s) of receipt of application and Plan Selection Form;
- Date(s) of processing;
- The application and Plan Selection Form's status due to missing information;
- Date(s) applicant/beneficiary outreached for missing information;
- Date(s) of all telephone or mail outreach for missing information;
- Name of applicant/beneficiary and Medicaid ID number or NJFC policy number;
- For Plan Selection Form, MCO choice and primary care provider identification;
- Type of missing information and name of person it concerns;
- Reconciliation between documents imaged and documents data entered; and
- Application site number.

3.5.4 GRIEVANCES/COMPLAINTS/APPEALS

The Contractor shall address all complaints/grievances received regarding the application and redetermination process. The Contractor shall notify the beneficiary within two (2) business days of receipt of the complaint/grievance. The Contractor shall also issue notices of a beneficiary's right to appeal any program termination due to a loss of eligibility.

The Contractor shall maintain records concerning the disposition of all complaints/grievances (which may include referral to appropriate responding party) and notify applicants of the resolution of the complaint/grievance within thirty (30) business days of the receipt.

3.5.5 RENEWALS

The Contractor shall develop and initiate a process for the annual renewal of each beneficiary's program eligibility and premium contribution status.

The Contractor shall generate and mail a letter to all NJ FamilyCare beneficiaries advising them of their impending renewal after ten (10) months of enrollment. The renewal letter shall contain information advising the enrollee of their need to complete all forms necessary to guarantee continued coverage for the enrollee and their family. The Contractor shall conduct follow-up telephone outreach to enrollees who have failed to provide the necessary and required information associated with their annual renewal of coverage. The Contractor shall develop a process whereby the supplemental telephone outreach occurs thirty (30) days before the final date the enrollee's completed renewal forms are due to be returned to the Contractor.

The Contractor shall request information from beneficiaries, as well as from other sources, as permissible by State law and regulation if there is reason to believe that a change in financial or family status has occurred but not been reported or has been incorrectly reported.

The Contractor shall conduct all verbal communication with the beneficiary in the language specific to the enrollee in question. Each written communication shall be in English or Spanish and include instructions on how to contact the Contractor for any additional explanation.

Within two (2) business days of imaging the returned renewal documents, the Contractor shall enter data and documentation into the State's eligibility system.

The Contractor shall maintain records of all transactions relative to renewals, continued enrollment and terminations, guaranteeing a process that ensures all materials related to terminations remain and are kept confidential.

The Contractor shall perform all renewals for all NJ FamilyCare Plans as required, ensuring that all completed renewals are processed within forty-five (45) days of receipt. Timeframes

associated with prior instructions concerning missing information shall apply to the processing of all renewals and redeterminations.

3.5.6 CHANGE IN STATUS

Redeterminations of eligibility must occur in the event of a status change. For any change in circumstance (e.g., changes in financial or family status), the Contractor shall establish whether a redetermination of eligibility or premium level is required. If any status change in a beneficiary's circumstances is required, the date for the next required annual renewal shall be twelve (12) months from the date of the last status change, establishing a new anniversary date for renewal. Redeterminations of eligibility must occur within three (3) business days in the event of a reported status change.

3.5.7 DATA INFORMATION COLLECTION AND AUDIT

The Contractor shall conduct an audit of the information and data collected in accordance with State requirements. The Contractor shall ensure that such audits include pertinent demographic data (as may be specified by the State), including household income information from all beneficiaries. All data and information shall be obtainable from other sources as permissible by State law and regulation (i.e., social security information, wage data etc.)

3.5.8 CREDITABLE COVERAGE CERTIFICATE

All terminated NJ FamilyCare/Medicaid cases shall be notified of the availability of a certificate of Creditable Coverage.

3.5.19 TERMINATIONS

Prior to a beneficiary's termination, the Contractor shall ensure that necessary documentation has been collected and that collection attempts have been properly performed and documented. The Contractor shall ensure that the beneficiary has received a clear and specific notification of the termination including all applicable instructions for the manner by which the termination and loss of coverage may be prevented. The Contractor shall:

- Notify the beneficiary of the intended termination at least ten (10) business days prior to the termination;
- Update the eligibility file and notify the appropriate MCO of the termination; and
- Update and record all documentation related to the termination within both the MCES and EPMS.

3.6 MANAGED CARE ENROLLMENT SYSTEM (MCES)

The Contractor shall design, develop and implement, by the contract operational date, a comprehensive, automated "MCES" capable of systematically performing all functions associated with the managed care enrollment process. At a minimum, the MCES shall be capable of:

- Imaging and recording all managed care documents;
- Assigning identifiers and conducting complete case tracking;
- Linking all managed care enrollments with programs as well as managed care eligibility;
- Performing premium collection and support associated banking and lock-box linkages;
- Generating and recording all notifications and pertinent documents;
- Transmitting and communicating all files necessary between the Contractor, the State's eligibility systems and all participating MCOs;

- Maintaining, storing, revising and manipulating any and all program and related statistical and healthcare information in accordance with universally accepted database functions;
- Generating any and all reports as may be required or requested for the administration and operation of the program(s);
- Recording the reasons associated with all disenrollments; and
- Performing all data entry associated with, and the transmission of, all information related to plan selection forms.

3.6.1 OUTREACH AND EDUCATION

The Contractor shall conduct outreach and education on all aspects of the NJ FamilyCare/Medicaid programs. Areas of information shall include, but not be limited to, potential benefits, eligibility and enrollment criteria, managed care provisions, participating MCOs, MCO networks, grievance and appeal processes and all other social programs and benefits for which an enrollee may be entitled or eligible that are not a part of managed care.

3.6.1.1 APPLICATION/ENROLLMENT MARKETING MATERIALS

The Contractor shall maintain, control and coordinate the dissemination of all outreach, educational materials and information to be generated or utilized in the operation of the NJ FamilyCare/Medicaid programs, including any and all materials used in any:

- DMAHS-directed mailing campaigns;
- DMAHS-directed community events as set forth below; and
- Distribution point locations throughout the State.

3.6.1.2 COMMUNITY EVENTS AND HEALTH FAIRS

The Contractor shall, at the direction of DMAHS or in conjunction with the State advertising Contractor, be present and disseminate appropriate information at all community, civic, faith-based, employee-related or other events where the outreach and education related to NJ FamilyCare/Medicaid programs may be necessary, required or warranted. The Contractor shall facilitate at least two (2) health fairs per year where competing MCOs present products directly to eligibles.

The Contractor must develop and implement an ongoing statewide schedule of outreach/education presentations.

3.6.1.3 MANAGED CARE POPULATIONS FOR MANDATORY ENROLLMENT

By direction of DMAHS, the Contractor shall conduct outreach to populations specifically targeted for managed care enrollment in accordance with program objectives.

Dependent upon needs, the Contractor shall modify operational processes associated with the enrollment of all mandatory populations, modifying its processes for this task depending on State Contract Manager-directed changes in these categories.

As an agent of DMAHS, the Contractor shall enroll individuals in designated categories, explain the programs of all contracted MCOs in a manner that is unbiased as to the choice the enrollee should make, explain health coverage choices available, answer beneficiary questions and assist eligible individuals, or their authorized representative, in selecting an MCO.

As directed by the State Contract Manager, the Contractor shall conduct all automatic assignment processes for individuals who fail to voluntarily choose an MCO.

The Contractor shall conduct all tasks associated with the enrollment of NJ FamilyCare/Medicaid beneficiaries to include, but not be limited to, the following:

- Maintain staffing levels necessary to accommodate the targeted population;
- Conduct all required mass mailings as defined herein;
- Arrange and provide for client meetings, either in a group or one-on-one setting;
- Ensure capability for meetings at CWAs, Medical Assistance Customer Centers (MACCs), offices, churches, schools, provider sites, community centers, public housing centers, etc., including handicapped-accessible facilities;
- Establish a liaison and working relationship with community-based advocacy and service groups;
- Possess the capacity to provide all required client assistance;
- Facilitate and conduct any and all directed, or required, health fairs;
- Provide plan selection form completion assistance;
- Provide assistance with the MCO selection process;
- Check all forms for missing information and completion;
- Ensure expeditious enrollment processing;
- Meet all enrollment processing timeframes;
- Notify all appropriate agencies of discrepancies discovered during form review;
- Process and maintain logs of all undeliverable mail;
- Conduct follow-up telephone or mail contact with beneficiaries to minimize the necessity of MCO auto-assignment;
- Conduct enrollment notifications to all MCOs;
- Maintain an electronic file of all processed and unprocessed plan selection forms;
- Compile, maintain and report all pertinent statistical data associated with the managed care enrollment of the mandatory eligibility categories; and
- Provide every new NJ FamilyCare/Medicaid client the opportunity to personally visit with an agent of the Contractor. These visits may be in a group or on a one-on-one basis and may be given as presentations in the CWA offices, MACCs, community centers and other venues, including handicapped-accessible facilities.

3.6.1.4 UMBRELLA ORGANIZATIONS

The Contractor shall maintain, update, coordinate and disseminate information related to the listing of any and all “umbrella organizations” that may be able to provide information on community or statewide-based advocacy/service groups currently assisting NJ FamilyCare/Medicaid beneficiaries in accessing medical, social and educational services.

The Contractor shall provide the State Contract Manager with an annual report identifying the process used to identify and update the listing.

3.6.1.5 PROMOTIONAL CAMPAIGNS

The Contractor shall work with the State Contractor for DHS advertising and public relation services on promotional campaigns. This shall include initial and subsequent years of operation, avenues for distribution of materials and market surveys to determine if the promotional objectives are being achieved and amend its strategies as necessary to correct promotions that are inadequate.

The Contractor shall provide technical information to the State and the DHS advertising Contractor for the design of materials primarily intended to educate various audiences about the Medicaid Managed Care and NJ FamilyCare/Medicaid programs, their goals, how they function

and how to obtain additional, detailed information. Audiences include, but shall not be limited to, the NJ FamilyCare/Medicaid beneficiaries, the general public, State and federal legislative leaders and their staffs, government agencies, the press, insurance carriers and health care providers.

The Contractor shall also provide technical information to the State Contract Manager for advertising and marketing, for the design of periodic educational material setting forth the progress of the NJ FamilyCare/Medicaid managed care programs, its successes and improvements.

3.6.1.6 MANAGED CARE EDUCATIONAL/PROMOTIONAL CAMPAIGN

Beyond the overall education initiatives outlined in this section, the Contractor shall develop a comprehensive managed care education and awareness program that is to be conducted on an annual basis. This initiative shall reach every NJ FamilyCare/Medicaid beneficiary. The Contractor shall design and implement this program to:

- Develop a comprehensive education program for all eligibility groups on how to navigate the NJ Family Care/Medicaid program and managed care delivery system. This program shall be designed to provide enrollees with a basic understanding of how to most effectively utilize managed care services. The program may be presented in a seminar or workshop environment and must include how to access and use the referral process, the use of facilities and ancillary providers, health care provided under the regular fee-for service Medicaid program as well as managed care.
- Address the needs of all NJ FamilyCare/Medicaid eligibility groups and enrollees and be designed to be easily understood by the targeted populations.
- Illustrate the ways and methods for maximizing benefits and services within a managed care environment.
- Be comprehensible at a fifth (5th) grade reading level to ensure that at least 90% of the target population can be expected to understand the materials.
- Be designed in bi-lingual English and Spanish with a capability to be further presented in other languages as needed or directed by the State.
- Be able to be modified so as to be presented at community events or other such venues as required.
- Be conducted, contingent on projected audience or enrollee attendance in accordance with DMAHS criteria, on a county-by-county basis. Conduct all verbal communication with enrollees in English or Spanish or the language specific to the applicant in question.
- Provide instructions on how to contact the Contractor for any explanations or other assistance, that may be required in each written communication.
- Ensure that at least 50% of the outreach population responds in such a manner that an automatic (pre-nominated) assignment to a predetermined MCO will not be required.
- Involve community-based advocacy/service groups in programs and activities targeted to NJ FamilyCare/Medicaid beneficiaries, where such groups may offer the best access to effectively reach and educate Medicaid beneficiaries about the Medicaid Managed Care Program (MMCP).
- Reach out to the parents/guardians of every eligible NJ FamilyCare beneficiary to educate them on the use of the managed care benefits available through the NJ FamilyCare Program. This shall be accomplished through mailing educational material, providing activities that promote and provide for managed care enrollment with community, civic, employment, service and faith-based organizations.
- Provide technical information to the State Contract Manager for the design of informational materials, including but not limited to the following:
 - Brochures describing the Medicaid Managed Care Program;
 - Brochures describing the NJ FamilyCare Program;
 - Posters, flyers and advertisements; and

- MCO enrollments, by mail, letter and instruction.

Relative to this program, DMAHS reserves the right to determine the need for the educational/promotional program's implementation, as well as any change or modification in the scope of work related to this task.

3.6.1.7 COMMUNICATION STRATEGIES FOR GOVERNMENT AND CONSUMERS

Two (2) months after the contract operational date, the Contractor shall provide draft strategies regarding specific education for other government agencies that are most likely to receive significant inquiries regarding any aspect of the program. These strategies shall include seminars, roundtables and development of training manuals with flow charts to accompany the educational pamphlets, booklets, etc. One (1) month after receiving State approval, the Contractor shall have these materials ready for distribution to all designated parties.

The Contractor shall develop draft strategies regarding general managed care and targeted managed care educational materials for the NJ FamilyCare/Medicaid Program to the various consumer populations. This shall also be submitted to the State Contract Manager two (2) months after the contract operational date.

3.6.1.8 STATUS REPORTS OF OVERALL PROGRAM PERFORMANCE

By the contract operational date, the Contractor shall develop and submit drafts of the format of the periodic status reports for the program's overall performance.

3.6.1.9 HOME VISITS

When necessary or as directed by DMAHS, the Contractor shall conduct home visits for the purposes of education and/or application intake or enrollment associated with the Medicaid or NJ FamilyCare programs. The outreach worker shall have the ability to complete the application electronically at a home visit.

3.6.1.10 MAILINGS

As required to enroll NJ FamilyCare/Medicaid clients into managed care, the Contractor shall conduct mailings using eligibility files supplied by DMAHS so that each beneficiary receives an enrollment package or other required information. The Contractor shall:

- Conduct mailings associated with the dissemination of other required program information or notices in accordance with requirements and dates established by the State Contract Manager (an annual mailing to approximately 950,000 households).
- Develop and implement an automated mailing, tracking and data entry system with the ability to:
 - Accept the complete Medicaid eligibility file;
 - Generate beneficiary-specific enrollment forms (with some information already preprinted);
 - Control volumes in each mailing wave;
 - Interface with all State eligibility systems in ascertaining eligibility status;
 - Track return mail on-line as part of the status tracking system;
 - Interface with all State eligibility systems in processing beneficiary selections, exclusion data;
 - Produce confirmation letters to eligibles after verifying that enrollment transactions were accepted by all State eligibility systems;
 - Produce reports for DMAHS;

- Incorporate labor-saving automation methods that have the potential to facilitate administration of the enrollment process while minimizing costs; and
- Track and report exact status of applications and enrollment forms at the time of inquiry, including but not limited to, date of application/plan selection form received, date processed, application/plan selection form pending due to missing information, specific information missing, date beneficiary outreached for missing information, dates of all telephone and mail outreach.

3.6.2 EDUCATIONAL MATERIALS FOR MANAGED CARE

3.6.2.1 PAMPHLETS AND BOOKLETS

Within two (2) months of the contract operational date, the Contractor shall develop a series of draft educational pamphlets, booklets etc., designed to address the needs of the target populations as necessary. At a minimum, the Contractor shall:

- Distribute all written pamphlets, brochures or other materials as directed by the State, or supplied by MCOs, including information on participating MCOs.
- Be responsible for maintaining a sixty (60) day supply of the program's application packages and educational materials. When the supply is nearing exhaustion, the Contractor shall notify the State Contract Manager to order more. The Contractor shall serve as the primary point of distribution for mass mailings of application packages and educational materials, utilizing the State-designated printing Contractor.

3.6.3 GENERAL PROVISIONS FOR MANAGED CARE TASKS

3.6.3.1 BENEFICIARY ENROLLMENT ASSISTANCE

During the enrollment process, the Contractor shall assist and explain to all eligible beneficiaries the differences among the various MCOs and delivery systems offered by the participating MCOs under contract with DHS in a manner that is unbiased toward any plan or delivery system. The Contractor must also explain other health coverage choices that may be available to the applicant or enrollee in a manner that is unbiased as to choices the individual should make, but shall encourage the individual to seek coverage or remain covered.

3.6.3.2 MCO SELECTION

The Contractor shall assist all NJ FamilyCare/Medicaid beneficiaries in selecting an MCO that best meets the needs of themselves and their family. The Contractor shall assist beneficiaries in completing the plan selection form.

The Contractor shall ensure that any assistance provided in selecting an MCO does not discriminate or favor any particular MCO, and is based solely on serving the interests of the beneficiary. This process shall obtain information to be included on the plan selection form, that pertains to any existing provider beneficiary relationships for each member of the family enrolled.

The State recognizes a beneficiary as being enrolled in an MCO when the beneficiary MCO choice is on the OIT eligibility file. The Contractor shall complete the enrollment processing and update to the OIT eligibility file within one (1) business day of the completion of the enrollment process.

3.6.3.3 MCO ENROLLMENT NOTIFICATION

The Contractor shall develop and implement a process to notify and update all participating MCOs of their specific managed care enrollments in accordance with DMAHS-approved timelines and specifications. At a minimum, the Contractor shall:

- provide all managed care enrollment notifications through electronic transmission;
- forward copies of all plan selection forms received, specific to that MCO; and
- maintain electronic copies of all signed plan selection forms received and a signed receipt for the copies given to each MCO.

3.6.3.4 MAINTENANCE OF MCO PROVIDER DIRECTORIES

The Contractor shall be the resource in developing and maintaining an electronic, automated directory of participating providers. At a minimum, this directory shall include, for each participating MCO:

- Primary Care Providers;
- Specialists;
- Hospitals; and
- Ancillary Providers.

The Contractor shall use this directory as the source for assisting Medicaid and NJ FamilyCare clients identify providers participating in each MCO's network.

The Contractor shall implement a system, and ensure the capability for receiving updated provider network information electronically using provider network specifications consistent with the file layouts for the database established by DMAHS.

3.6.3.5 MANAGED CARE APPLICATION REVIEW

The Contractor shall process all completed plan selection forms within two (2) business days of receipt. The Contractor shall review forms for completeness, capture and input all required information, process all completed forms to enrollment, and verify enrollment data transmission success to all State eligibility systems.

The Contractor shall maintain an electronic file for all processed and unprocessed plan selection forms.

3.6.3.6 MANAGED CARE PLAN SELECTION FORM PROCESSING

The Contractor shall process all completed plan selection forms within two (2) business days of receipt. It is expected that one day will be required to review forms for completeness and forward (via courier service, if necessary) to a centralized data entry site. Two (2) work days are allowed for data entry and verification. In the case of potential exemptions, it is expected that 95% will be validated and processed within thirty (30) calendar days, 97% will be validated and processed within sixty (60) calendar days and 99% will be validated and processed within ninety (90) calendar days.

3.6.3.7 MANAGED CARE FORM DISCREPANCIES

On a daily basis, the Contractor shall notify the State Contract Manager of any discrepancies that may be discovered during the enrollment process. Examples of discrepancies or inconsistencies may include date of birth, name, sex or other forms of information as may be discovered. The State Contract Manager shall work with the Contractor and DMAHS staff to troubleshoot the issue.

3.6.3.8 INCOMPLETE PLAN SELECTION FORM REVIEW

The Contractor shall review all forms associated with the enrollment process to ensure all form fields have been completed and are accurate according to the following defined DMAHS parameters.

For cases involving missing information, the Contractor shall contact the beneficiary, in writing, within two (2) business days, requesting the missing information. If no response is received from the beneficiary or incomplete information remains outstanding after fifteen (15) calendar days, the Contractor shall generate and mail a second follow-up letter again requesting all missing or incomplete information. If neither a response nor the requested information has been received by the 30th calendar day from the mailing of the original missing information notification, the Contractor shall generate a letter terminating further action. In accordance with applicable federal and State statute and/or regulation, the plan selection form shall be generated and mailed detailing the reason for ceasing any further action within two (2) business days. For all mandatory populations, the Contractor shall ensure that the required notice states that an MCO shall be chosen for the beneficiary for failure to timely submit a completed plan selection form.

For cases where mail is returned or undeliverable due to bad addresses, the Contractor shall endeavor to resolve the cause of the bad address within five (5) business days of the mail's return. The Contractor shall document all steps undertaken to resolve any incorrect address including telephone contacts attempted. If after fifteen (15) business days no resolution has been achieved, the Contractor shall place the undelivered mail in a pending status to await potential contact by the beneficiary. If after thirty (30) business days no further contact has been made by the beneficiary, the Contractor shall take no further action.

For cases assigned to the counties, the Contractor shall notify the CWAs of all cases within this category and record and report all unprocessed plan selection forms by name, appropriate case tracking number, date, reason not processed, MCO chosen and any other information as may be pertinent on a weekly basis.

The Contractor shall conduct follow-up communication to all non-respondents within the mandatory managed care populations, either via telephone or mail, as outlined above, so as to minimize the need for auto-assignment to a pre-determined MCO.

3.6.3.9 ENROLLMENT CONFIRMATIONS

The Contractor shall produce and mail confirmation letters to each enrollee stating the MCO the beneficiary has selected or been assigned to and the effective date of the enrollment.

3.6.4 MANAGED CARE ENROLLMENT

The Contractor shall ensure, in the course of conducting all managed care enrollments, that beneficiary eligibility is not finalized until the plan selection form has been properly completed, received by the Contractor and specifies the applicant's MCO of choice.

Medicaid, NJ FamilyCare Plan A and ABP applicants who have been determined eligible for NJ FamilyCare, shall only become an enrollee upon notification to the Contractor of their MCO selection and the Contractor updating the eligibility file through a batch update process.

NJ FamilyCare Plan B and C applicants who have been determined eligible for NJ FamilyCare, shall only become an enrollee upon notification to the Contractor of their MCO selection, and the Contractor updating of the eligibility file through the batch update process. Upon completion of the enrollment process for NJ FamilyCare Plan B beneficiaries, the Contractor shall generate an appropriate letter to the beneficiaries advising them of their eligibility and enrollment, containing verification of participation in their selected MCO and other information as may be deemed warranted by DMAHS.

NJ FamilyCare Plan D applicants, who have been determined eligible for NJ FamilyCare, shall only become an enrollee upon selection of an MCO, notification to the Contractor of their MCO selection, receipt of the beneficiary's appropriate premium and the Contractor updating the eligibility file via batch update process. Upon completion of the enrollment process for NJ FamilyCare Plan D beneficiaries, the Contractor shall generate an appropriate letter to the beneficiaries advising them of their eligibility, enrollment, effective date of enrollment and required premium. The letter shall further contain verification of participation in their selected MCO and other information as may be deemed warranted by DMAHS.

The Contractor shall, through use of the Managed Care Enrollment System, electronically transmit all plan selection forms, with updated beneficiary enrollment information, to the participating MCOs on a daily basis.

The Contractor shall not enroll any NJ FamilyCare cases prior to the receipt of any required or applicable premium unless it is necessary to prevent gaps in coverage as in situations where a Plan A member is moved to a premium payment plan.

The Contractor shall treat all NJ FamilyCare non-Plan A and ABP selection forms submitted without designation of an MCO as a missing information case incapable of being processed.

The Contractor shall place all NJ FamilyCare cases that have plan selection forms without either MCO selection or premium submission in pending status for a period to be determined by the State.

3.6.4.1 BATCH UPDATE TO OIT

Utilizing a daily batch update process, the Contractor shall electronically transmit all NJ FamilyCare enrollments to the Office of Information Technology (OIT) for updating within the eligibility file. Managed care enrollments shall only become effective upon the actual updating to the eligibility file.

3.6.4.2 MCO TRANSFER ASSISTANCE

Upon request, the Contractor shall provide assistance to eligible applicants/enrollees on the potential disenrollment and/or transfer from and to participating MCOs. This shall include the

explanation of the differences between the various plans and delivery systems offered by the participating MCOs in a manner that is unbiased toward any specific MCO. Specifically, the Contractor shall explain other health care coverage options or choices that may be available to the applicant or enrollee in a manner that is unbiased as to the choice that is being offered. Transfers are limited to open enrollment periods or for good cause.

3.6.4.3 DISENROLLMENT AND RE-ENROLLMENT

The Contractor shall maintain awareness, develop and implement appropriate processes for activities associated with disenrollments and re-enrollments of NJ FamilyCare/Medicaid beneficiaries resulting from the beneficiary's:

- Desire to change his/her MCO selection during the first ninety (90) days of enrollment (as allowed under federal regulations);
- Desire to change his/her MCO selection after twelve (12) months of enrollment (the end of the lock-in period under federal regulation);
- Moving from one county to another county; or
- Having been disenrolled for good cause at any time, or at any time for the ABP population.

The Contractor shall provide assistance to beneficiaries, as needed or required, in completing any transfer, disenrollment or re-enrollment forms and furnish each beneficiary with a copy of their transfer, disenrollment or re-enrollment forms.

3.6.4.4 MCO NOTIFICATION

Within two (2) working days of receipt of all completed and processed transfer, disenrollment and re-enrollment forms, the Contractor shall notify and submit to each MCO impacted, electronic or paper copies of the forms with the resulting effect the action has on an MCO's membership. In support of this process the Contractor shall maintain a file of signed receipts attesting to the transmission for all copies given an MCO and all processed forms.

The Contractor shall advise MCOs of beneficiaries requesting transfer, disenrollment or re-enrollment in an MCO under which they are presently enrolled and the reasons for requesting the change.

The Contractor shall maintain a file of all processed forms.

3.6.4.5 TRANSFER, DISENROLLMENT AND RE-ENROLLMENT FILES

The Contractor shall, in accordance with the overall case tracking and management process, maintain and update a daily file/log of all transfer, disenrollment and re-enrollment requests. The file/log shall record these actions according to case name, tracking number, Medicaid number, NJFC ID number, current MCO, new MCO choice and all associated critical dates (i.e., date of request, date enrollment processed, effective date, etc.).

3.6.5 PREMIUM ASSIGNMENT AND COLLECTION

The Contractor shall assign the appropriate, related premium contribution required for appropriate NJ FamilyCare/Medicaid beneficiaries.

The Contractor shall generate a bill for required premium contributions due from all NJ FamilyCare beneficiaries at least thirty (30) business days prior to the date that the contribution is due, performing this function on a monthly basis. The Contractor shall produce a billing mail file

that correctly identifies beneficiaries and the amount of remittance, payment due date, month for which the remittance is to be applied and the total remittance of the beneficiary/enrollee.

The Contractor shall also record all NJ FamilyCare beneficiaries' premium contribution remittances due and payable on a monthly basis.

The Contractor shall receive all beneficiary premium contributions either by check, money order or funds transfer. The Contractor shall accept the remittance of premiums through the use of credit cards, including the receipt of credit card information communicated over the telephone.

3.6.5.1 PREMIUM COLLECTION

The Contractor shall develop and administer a process for recording all NJ FamilyCare beneficiaries' premium contribution remittances due and payable on a monthly basis.

3.6.5.2 PREMIUM REFUND

The Contractor shall promptly refund any overpayment within five (5) business days of discovery according to established business rules. The Contractor shall provide instructions to the beneficiary on how coverage may be continued or how the beneficiary may re-apply for managed care enrollment.

3.6.5.3 RECEIPT OF PREMIUM CONTRIBUTION

The Contractor shall implement a process whereby all premium contribution remittances due and payable are received in accordance with timeframes and dates established and set by DMAHS.

For all premium contributions due but not received, the Contractor shall generate beneficiary notices in accordance with timelines, dates and procedures as established and directed by the State.

3.6.5.4 LOCK BOX

The Contractor shall implement an appropriate "lock-box" banking operation for the acceptance, security and transfer of beneficiary premium contributions received. The Contractor shall guarantee that any subcontractor charged with "lock-box" operations transfers all mail, notes or other correspondence to the Contractor for immediate action by appropriate Contractor personnel.

3.6.6 RETENTION PROCESS

The Contractor shall create a Retention Unit and process for the NJ FamilyCare/Medicaid programs. The purpose of the Retention Unit is to provide outreach to establish communication with NJ FamilyCare/Medicaid beneficiaries and families to maintain levels of enrollment or retention within the program. Primary functions of this unit shall be to develop, distribute, collect and analyze disenrollment surveys.

The Contractor shall assign FTEs sufficient in number, and dedicated to outreach either through telephone calls, correspondence, home visits, etc., to beneficiaries who have been non-responsive to prior contact by the program concerning their renewal application. The Contractor shall determine the effectiveness of its outreach efforts by taking appropriate samples from the population through acceptable statistical methods in order to verify the success of its outreach efforts.

3.6.6.1 TELEPHONE SURVEY

The Contractor shall conduct a customer satisfaction telephone survey for NJ FamilyCare/Medicaid beneficiaries who have completed six (6) months of enrollment within the program for the purpose of assessing overall consumer satisfaction with NJ FamilyCare/Medicaid.

3.6.6.2 RETENTION PROGRAM REPORTING

The Contractor shall gather, compile and report data and information associated with all surveys and outreach efforts conducted on behalf of the retention process.

The Contractor shall design, generate and distribute reports based upon all data and information collected, that are needed to measure the effectiveness and administer the NJ FamilyCare retention process. The Contractor shall construct, generate and submit reports containing data and information as required or directed by the State.

3.6.6.3 DISENROLLMENT SURVEY

The Contractor shall generate a written survey, to include a postage-paid, self-addressed return envelope, to all NJ FamilyCare beneficiaries for the purpose of assessing their overall satisfaction with the NJ FamilyCare Program. This survey shall be sent within fourteen (14) days of the date of their disenrollment from the program. Only those disenrolled for reasons other than age or income are sent the survey.

3.7 PREMIUM SUPPORT PROGRAM (PSP)

The Contractor shall provide adequate staffing for the Premium Support Program so as to guarantee the meeting of all performance standards and obligations associated with this program.

The Contractor shall guarantee immediate access to any and all PSP records, files and cases, by State staff, at any and all times as requested by the State.

3.7.1 IDENTIFICATION OF OTHER INSURANCE

The Contractor shall identify, through a review of a beneficiary's submitted information, occurrences where the applicant has indicated access to other health insurance, employer-sponsored insurance or employment information indicative of the possibility for other insurance.

The Contractor shall additionally conduct a review for other insurance at the time of all renewals or at the time of any change of status in an enrollee's circumstances. The Contractor's review for additional insurance shall also include all other members of the household.

3.7.1.1 NOTIFICATION TO THE STATE

The Contractor shall advise the State of all cases involving the potential of other insurance on a weekly basis in a format to be defined by the State.

3.7.2 PSP INFORMATION

The Contractor shall provide the following information for all cases forwarded to the State. This information shall be inclusive for all members of the household including non-eligible adult parents/caregivers:

- Beneficiary's name, address and telephone number;
- NJ FamilyCare ID number/SSN number;
- The name of the other insurance and ID number;
- Household members covered under the policy;
- Employer name, address and telephone number; and
- Other information that may be deemed necessary or relevant.

3.7.3 PSP ELIGIBILITY SEGMENT

The Contractor shall perform all enrollments, disenrollments and other file maintenance activities to support program participation on PSP cases.

The Contractor shall provide a monthly report of all open eligibility segments of PSP cases showing active and terminated cases. The report shall show the year-to-date status of all PSP cases.

3.7.4 DISENROLLED PSP CASES

The Contractor shall record and submit reports on a weekly basis to the State verifying all transactions and activities associated with the PSP disenrollment process.

3.7.5 PREMIUM SUPPRESSION

The Contractor shall develop and implement a process whereby the collection of monthly premiums is suppressed.

The Contractor shall develop and implement a procedure whereby PSP cases will not be terminated for non-receipt of the monthly premium contribution.

3.7.6 PSP PROGRAM CODING

The PSP special program code must be recognized on the Contractor's eligibility file.

3.7.7 ELIGIBILITY CARDS

The Contractor shall produce and disseminate NJ FamilyCare replacement eligibility cards for PSP cases.

3.7.8 PSP INQUIRY CAPABILITY

The Contractor shall provide on-line inquiry access to the Contractor's NJ FamilyCare database for the State's ten (10) PSP monitoring staff. Inquiry access must be available through the State staff's personal computers.

3.7.9 PSP CASE TERMINATION

The Contractor shall process monthly transactions and terminations for all NJ FamilyCare cases that fail to cooperate with PSP requirements.

The Contractor shall develop and institute all required program logic and procedures necessary to terminate adult household members while assuring the continued eligibility for all enrolled children within the household. The Contractor shall track all child-only cases within the PSP program, until the case is up for renewal or redetermination.

At the time of all case renewals, the Contractor shall collect all employment and insurance information and use it for determining continued participation in the PSP.

In situations where the beneficiary fails to cooperate regarding PSP program requirements, the Contractor shall develop and implement a process to terminate remaining eligible children on the case at the time of the renewal.

On a weekly basis, the Contractor shall notify the State of all actions initiated by the Contractor involving the termination of a PSP case. The Contractor shall electronically process all terminations and provide the State an acknowledgement and confirmation of all termination transactions on a weekly cycle.

3.7.10 PSP TRAINING

The Contractor shall develop and implement a training program, subject to State approval, for all appropriate State and Contractor personnel in order to ensure comprehensive employee knowledge and proficiency with the PSP.

3.7.11 PSP PROGRAM OUTREACH

The Contractor shall provide complete information to all interested parties and beneficiaries on PSP at the time of any and all outreach and education efforts associated with the NJ FamilyCare program and report the contacts and number of beneficiaries contacted on each encounter.

The Contractor shall distribute and mail, subject to State approval, educational materials associated with PSP.

3.7.12 PSP EXPENDITURE TRACKING

The Contractor shall be responsible for generating reimbursements to PSP clients of all employer-based premiums and cost-sharing expenditures paid by or on behalf of PSP enrolled individuals.

The Contractor shall refund any inappropriate or overcharged premium assessment(s) to the beneficiary once he/she is enrolled in PSP within ten (10) business days of discovery.

3.7.13 PSP PROGRAM INQUIRIES

The Contractor shall attempt to respond to all beneficiary or provider questions and inquiries, through all modalities (telephone, letter, fax, etc.) on the same day on which they are received.

3.7.14 PSP REPORTING

The Contractor shall develop, produce and submit summary activity reports of PSP case activity to ensure complete reconciliation with all PSP records. The Contractor's submission of all PSP required reports shall be transmitted in accordance with a schedule to be established by the State's PSP Office.

3.7.15 PSP MEETINGS

The Contractor shall routinely schedule and hold meetings with the State's PSP Office for the purpose of discussing PSP operations.

3.8 PROGRAM QUALITY ASSURANCE REQUIREMENTS

The Contractor shall develop and implement a dedicated Quality Assurance (QA) process designed to assess operations, identify problems and coordinate efforts for resolution of all errors, mistakes or difficulties associated with operation of the programs. The QA process shall encompass, but not be limited to, the following areas:

- Mail Room Operations;
- Call Center Operations;
- Information Systems;
- Eligibility Screening through the State's eligibility systems;
- Data Entry;
- Eligibility Processing through the State's eligibility systems;
- Managed Care Enrollment;
- Fiscal Operations;
- Training;
- Mail House Activities;
- Human Resources;
- Subcontractors;
- Printing;
- Notices, Information and Educational Materials; and
- Translation Services.

The Contractor shall submit a QA plan within fifteen (15) calendar days of the Contract Effective Date summarizing all goals and initiatives for the upcoming year. The Contractor shall submit a revised and updated QA Plan for each subsequent year of the contract.

3.8.1 QUALITY ASSURANCE POLICY AND PROCEDURE MANUAL

The Contractor shall annually submit, for approval, a Quality Assurance Policy and Procedure Manual with all necessary updates. The manual shall reflect the current policies and procedures for:

- Monitoring and evaluating all areas specified in the QA plan;
- Gathering and trending data discovered as a result of the QA process;
- Notifying the State of needed corrective actions, the corrective action plan and ongoing progress to correct until fully resolved;
- Assuring the allocation of personnel necessary for contract operation;
- Overseeing and assessing all human resource recruitment;
- Determining any required population samples and data measures according to universally accepted statistical standards; and
- The timely review of all cases, managed care enrollments, disenrollments, renewals, missing information cases, mailings, premium invoices, premium refunds or other subjects common to the operation of the programs.

3.8.2 QUALITY ASSURANCE REPORTING

The Contractor shall design and submit a quarterly summary report on QA activities. The QA report shall address, but not be limited to, the following QA initiatives and monitoring activities:

- Problem areas identified;
- Compliance and non-compliance of contract requirements;
- Contractual policies and procedures;

- Corrective actions implemented;
- Corrective actions to be implemented with time frames;
- Progress on correcting specific problems; and
- Resolution of all problems.

The Contractor shall include all relative aggregate and trended data collected during the QA and monitoring process in the QA quarterly report. The Contractor shall compare and indicate data collected to that of the prior quarter's report.

3.8.3 QUALITY CONTROL REVIEW

The Contractor shall be subject to quality control review monitoring by the State.

3.9 CONTRACT TRAINING REQUIREMENTS

3.9.1 HUMAN RESOURCE DEVELOPMENT AND TRAINING

The Contractor shall provide and maintain the necessary training space, equipment and supplies, (e.g., lecture/meeting rooms, computer training rooms, computer per trainee, operator headphones per trainee, manual binders, audio/visual equipment, etc.) required for the effective and efficient operation of its training programs.

The Contractor's organization and management of the training unit shall be subject to State approval prior to training activation and at any time a change in staffing, policy or procedures is anticipated or occurs.

3.9.2 TECHNICAL AND PROGRAMMATIC TRAINING

The Contractor shall submit a complete training plan, curriculum, tools, materials and any other items to be used in the design, development, delivery and evaluation of the human resource development training program sixty (60) days prior to the Contract Operational Date.

The Instructional Design (ID) of the Contractor's technical and programmatic training modules shall be created in accordance with the Instructional Systems Design (ISD) and include all basic elements of the ADDIE Model (i.e., analysis, design, development, implementation and evaluation).

All new hires to the Contractor's staff shall participate in and successfully complete a comprehensive initial training regimen consisting of both technical and programmatic training modules before assuming professional job responsibilities.

Training courses for appropriate personnel shall include, but not be limited to, the following subjects:

- NJ FamilyCare/Medicaid;
- PSP;
- Customer Service;
- Roles of Program Stakeholders;
- Quality Performance;
- Supervisory Skills;
- Principles of Managed Care;
- Effective Communication Skills;
- HBC Operations to include Call Center and Mail Room;

- NJ FamilyCare/Medicaid Application (online and paper) and Eligibility Process;
- Managed Care Enrollment Process;
- Exclusions from Managed Care Enrollment;
- Premium Assignment and Collection for NJ FamilyCare;
- Renewal and Redetermination Process;
- NJ FamilyCare Retention Process;
- Quality Assurance Process;
- HBC Management Information Systems (MIS);
- Program Integrity, Security, Fraud and Abuse;
- Record Management; and
- Confidentiality and HIPAA Requirements.

The Contractor shall provide ongoing refresher and remedial training as required by program/operational changes and updates and identified employee performance discrepancies.

Training staff shall solicit multi-level employee input in the establishment and maintenance of the training program.

The transfer of appropriate skills and knowledge to Contractor employees through the administration of the training program shall reflect a consistent modeling and corroboration of the importance of quality in all areas of Contractor operations.

All aspects of the Contractor's Instructional Design shall be subject to initial and ongoing approval by the State.

3.9.3 MAINTENANCE OF TRAINING RECORDS AND DATA

The Contractor shall use a commercially available computerized Training and Development Information System (TDIS) to establish and maintain training records and data. The Contractor's selection of a TDIS shall be subject to the prior approval of the State.

At a minimum, the TDIS shall have the capability of producing module descriptions, training session announcements, training schedules, document training attendance, document training evaluation, assess employee performance, define training tasks, maintain human resources development and training program accuracy and integrity, align training strategy with State goals, ensure organization-wide standards as well as maintain a variety of other training and development records.

The system shall be used to aid the Contractor to define the required employee competencies, assess performance, present options on how to close performance gaps and document training as delivered.

3.9.4 TRAINING REPORTS

The Contractor shall produce periodic reports of training needs assessment, training operations, employee/organization performance and improvement, human resources development and training program planning, development, delivery and evaluation and other training related matters as determined by the State. The Contractor shall provide these reports to the State on a monthly basis or within five (5) business days of the State's request.

Training session descriptions, session announcements and training schedules shall be provided to the State at least one (1) month in advance of the date of the training event.

3.9.5 STATE MONITORING

The Contractor shall cooperate with State staff to monitor all aspects of the Contractor's training programs. The Contractor shall also cooperate with State monitoring staff when conducting unannounced audits of training program presentations.

The Contractor shall cooperate with State monitoring staff's monitoring functions and shall meet weekly with the Contractor's training managers, supervisors and trainers to discuss training matters.

3.9.6 TRAINING PRODUCTION REQUIREMENT

The Contractor shall at all times ensure that both personnel and time allocated for training neither impedes nor otherwise causes a reduction in either contractual performance or production standards. At no time shall personnel in training be considered production staff nor shall production or performance standards be reduced due to contract training requirements.

The Contractor shall ensure that personnel is being trained in either live or actual production functions, (i.e., assuming live telephone calls, performing actual client service, etc.).

3.10 CONTRACT INTEGRITY AND SECURITY

3.10.1 PROGRAM INTEGRITY REQUIREMENTS

The Contractor shall designate either a Project Director or Deputy Project Director, as the Contractor representative responsible for all contractual and operational program security, integrity and internal controls. The Contractor shall demonstrate to the satisfaction of DMAHS that it has adequate supervisory staff in off-hours, i.e., evenings and weekends.

The Contractor shall schedule and hold monthly meetings with DMAHS' Office of Contract Compliance to discuss all issues related to the prevention or management control of program integrity, fraud and abuse, contract violations, operational control and internal controls.

3.10.1.1 APPLICATION REVIEW UNIT

The Contractor shall establish or designate a specific unit to review applications submitted for any DMAHS administered program where the address indicated by the potential program applicant is the same as that of any Contractor employee, employee family member, employee relative, employee friend or acquaintance or other individuals who may be living at the same address or where there is any other reason to believe that an applicant for benefits falls within any of these categories. The Contractor shall institute steps, including but not limited to, the separation of functions to ensure that the review of the applications/cases indicated above are conducted by employees in such a manner as to ensure the integrity of the review process.

3.10.1.2 INTEGRITY NOTIFICATION

The Contractor shall develop and distribute routine notifications to all employees of procedures to be followed in situations where they, as the employee, may either know or be familiar with a potential program applicant. This shall further include a listing of possible disciplinary consequences for any infraction of this policy, up to and including termination.

3.10.1.3 INTEGRITY REFERRAL

The Contractor shall notify all employees of the procedures to be followed in cases where they may either know or be familiar with a potential program applicant. This shall include immediate referral to an appropriate Supervisor.

3.10.1.4 DISCLOSURE

At time of hiring, the Contractor shall distribute a disclosure form to be completed by all employees instructing them of possible conflict of interest situations and their responsibility to notify the Contractor of such situations. This shall include a listing of possible disciplinary consequences for any infraction of this policy, up to and including termination. This form shall be updated and completed by the employee on an annual basis.

3.10.1.5 EMPLOYEE MATCH

The Contractor shall conduct quarterly system-generated searches through the enrollment files for potential information matches between program beneficiaries and Contractor employees. One match shall be made using the beneficiary's social security number; the other match shall utilize the beneficiary's home address.

3.10.1.6 INTEGRITY ADHERENCE

The Contractor shall ensure there is comprehensive adherence to all contractual program integrity requirements for any employees identified as eligible NJ FamilyCare/Medicaid beneficiaries. In the case of any identified or potential violation, immediate and appropriate notifications shall be made to the Bureau of Program Integrity and any other agencies as may be required by law. If a Contractor employee is identified as a program beneficiary, the Contractor shall investigate to determine compliance with all of the provisions contained in this section on program integrity requirements. If a contract violation is identified, the Contractor must refer the matter to the Bureau of Program Integrity within DMAHS' Office of Program Integrity Administration within five (5) business days of discovery.

3.10.1.7 PUBLIC RECORDS VERIFICATION

The Contractor shall utilize commercially available public records databases in order to identify income-generating assets and other potential eligibility problems. The Contractor, at a minimum and as permitted by law, shall utilize public records database searches on all Contractor employees receiving State program benefits. The Contractor shall utilize public records database searches on a random sampling, structured basis for all non-employee applicants and beneficiaries.

3.10.1.8 SOCIAL SECURITY RECORDS

The Contractor shall utilize access to the Social Security Death Index in order to conduct a search for matches between the contents of this database and the enrollment file of program applicant or beneficiaries and Contractor employees. This shall be done on a quarterly basis. If a match with a deceased individual's Social Security Record is identified, the Contractor must refer the matter to the Bureau of Program Integrity within five (5) business days of discovery.

3.10.1.9 AUDITS

For each fiscal year, the Contractor shall secure the services of a forensic auditor to conduct an examination of the Contractor's policies, procedures and performance as it relates to program

integrity and security. The Contractor shall coordinate all activities related to the forensic audit with DMAHS' Office of Program Integrity Administration. Due the first day of each fiscal year, the Contractor shall submit a copy of the annual forensic audit to the State for review and approval. Copies of all supporting work papers must also be submitted to the State upon request.

The Contractor shall also conduct an annual security audit of all information systems and databases to ensure no breaches in systems security such as password theft, failure of system edits, etc. The Contractor shall submit a copy of the annual systems audit to the State for review and approval.

3.10.1.10 COMPLIANCE PROGRAM

The Contractor shall establish a corporate compliance program to address internal controls, program integrity, fraud and abuse issues and any other operational problems or vulnerabilities that may be identified. The Contractor shall ensure that the compliance program is consistent with the guidelines promulgated by the Office of the Inspector General of the US Department of Health and Human Services.

3.10.1.11 INTEGRITY HOTLINE

The Contractor shall have a toll-free hotline available whereby members of the public, Contractor employees and others may report evidence of fraud, abuse, violations of internal controls and any ethical violation that will be immediately reported to DMAHS' Bureau of Program Integrity. Callers shall be permitted to remain anonymous if they wish. The Contractor shall disclose and disseminate information concerning the availability and public access to this number.

3.10.1.12 SYSTEM INTEGRITY CONTROLS

The Contractor shall ensure that information security is implemented for the control, access, change or modification of all system-related passwords, employee information, beneficiary information, etc. At a minimum, the Contractor's information security shall include edits to prevent the Contractor's employees from having the capability to change, update or delete the eligibility file of the employee, the employee's known family members, relatives, friends or neighbors, and from altering, deleting or changing the history of any program beneficiary.

The Contractor must also institute a back-up policy for computer records and retention that ensures the Contractor's system captures all historical changes to its program eligibility files.

The Contractor shall institute steps to appropriately limit access to all passwords and logons of all program systems including preventative measures against the sharing of passwords and logons.

3.10.1.13 STATE MONITORING

The Contractor shall guarantee the State access to perform audits, reviews, announced and unannounced inspections of all operational and program-related functions. The Contractor must fully cooperate with the State in all such audits, reviews and inspections.

3.10.1.14 REQUESTS

The Contractor shall comply with any request by the State for records associated with the Contractor's computer files or databases. The Contractor shall ensure that all requests are in the format as requested by the State, including a PC-compatible format. The Contractor shall submit all responses within ten (10) business days of the request from the State.

3.10.1.15 LAW ENFORCEMENT REPORTS

The Contractor shall immediately notify and submit to the State any and all reports or incident submissions that may be filed with local police or other law enforcement agencies. Examples include, but are not limited to, reports filed for theft of property, trespass at the facility site, disturbances, confrontations, etc.

3.11 REGULATORY COMPLIANCE SUMMARY

3.11.1 GENERAL COMPLIANCE

The Contractor shall ensure complete compliance with all federal and State statutes and regulations. The Contractor shall guarantee that it is independent of, and has no relationship with, any MCO and health care provider that provides coverage in the State of New Jersey.

The Contractor shall ensure that any person who is an owner, employee or consultant of the Contractor or subcontractor, is free from any conflict of interest, and guarantee the individuals meet the following conditions:

- They have no direct or indirect financial interest in any entity or health care provider that furnishes services in the State of New Jersey;
- They have never been excluded from participation under Titles XVIII, or XIX, or XXI of the Social Security Act (SSA);
- They have never been debarred by any federal agency; or
- They have never been subject to civil money penalties under the SSA.

The Contractor shall ensure that the services specified under this RFP are in compliance with Title VI of the Civil Rights Act of 1964; Title IX of the Education Amendments of 1972 (regarding education programs and activities); the Age Discrimination Act of 1975; the Rehabilitation Act of 1973; and the Americans with Disabilities Act.

The Contractor shall:

- Recognize that the services specified under this RFP are at all times subject to CMS approval.
- Recognize that activities related to the services specified under this RFP may be subject to conflict-of-interest safeguards or conditions specified by the State of New Jersey.
- Ensure that all choice counseling, enrollment activities and services specified under this RFP are free from any and all discrimination.
- Ensure that, with the exception of mandatory enrollment programs, all enrollments are considered voluntary.
- Not discriminate against any individual, eligible for enrollment and health benefit coverage, nor conduct counseling and enrollment activities to allow MCO entities to discriminate on the basis of health status or the need for health services.
- Not allow any discrimination to occur related to enrollment activities nor use any policy or practice that has the effect of discriminating based on race, creed, color, national origin, age, ancestry, nationality, marital, domestic partner, civil union status, sex, gender identity or expression, disability, military service, affectional or sexual orientation, atypical cellular or blood trait, genetic information, or family status.
- Notify all enrollees and potential enrollees that oral interpretation services are available, for any language and that written information is available in prevalent languages. Also advise enrollees how to access these services.

- Make oral interpretation services available, free of charge, to each enrollee or potential enrollee.
- Ensure that written materials are made available in alternative formats to address those beneficiaries with special needs such as the visual impairments and limited reading proficiency.

3.11.2 CHART FORMAT

The Contractor shall provide information on MCOs in a comparative, chart-like format so as to allow an enrollee or potential enrollee to more effectively compare MCOs. The information presented shall include, at a minimum:

- The MCO's service area;
- The benefits covered under the MCO;
- Any cost sharing that may be imposed or required; and
- To the extent available, performance indicators, including enrollee satisfaction

This information shall be provided when the potential enrollee first becomes eligible to enroll in a voluntary program or is first required to enroll in a mandatory enrollment program and in a timeframe where the potential enrollee can best utilize the information in choosing an MCO.

3.12 DISENROLLMENT FROM THE CONTRACTOR'S PLAN AT THE ENROLLEE'S REQUEST

An individual enrolled in a Contractor's plan may elect to change MCO's during an annual open enrollment period from October 1 to November 15. All enrollees are subject to the annual open enrollment period and may initiate disenrollment from one MCO and transfer to another MCO for any reason during the first ninety (90) days after the latter of the date the individual is enrolled or the date they receive notice of enrollment with a new MCO and during the period DMAHS has identified for the annual open enrollment period without cause.

An individual may transfer from the MCO's plan upon automatic re-enrollment if he/she was disenrolled solely because he/she loses Medicaid eligibility for a period of two (2) months or less, if the temporary loss of Medicaid eligibility has caused the individual to miss the annual open enrollment period.

An enrollee may initiate disenrollment and a transfer to another MCO's plan at any time if they meet one of the good cause reasons defined in the contract such as:

- Failure of the MCO to provide services including physical access to the enrollee in accordance with the terms of the contract;
- Enrollee has filed a grievance/appeal with the Contractor pursuant to the applicable grievance/appeal procedure and has not received a response within the specified time period stated therein, or in a shorter time period required by federal law;
- Documented grievance/appeal by the enrollee against the MCO's plan without satisfaction;
- Enrollee has substantially more convenient access to a primary care physician who participates in another MCO in the same enrollment area;
- Poor quality of care;
- Enrollee is eligible to participate through DYFS/DCF; and
- Other for-cause reasons pursuant to 42 CFR 438.56.

3.12.1 DISENROLLMENT AND TRANSFER REQUESTS

The Contractor shall assure that enrollees who qualify to disenroll and/or transfer to another MCO's plan for cause are provided with an opportunity to identify, in writing, their reasons for disenrollment or transfer. The Contractor shall further:

1. Require the return, or invalidate the use of the MCO's identification card; and
2. Forward a copy of the disenrollment/transfer request or refer the beneficiary to DMAHS/HBC by the eighth (8th) day of the month prior to the month in which disenrollment and transfer is to become effective.

3.12.2 HBC ROLE

All enrollee requests to disenroll and transfer to another MCO's plan must be made through the Health Benefits Coordinator. The MCO may not induce, discuss or accept disenrollments or transfers. Any qualified enrollee seeking to disenroll or transfer to another MCO's plan for cause should be directed to contact the HBC. This applies to both mandatory and voluntary enrollees. Disenrollment and transfer shall be completed by the HBC at facilities and in a manner so designated by DMAHS.

3.12.3 EFFECTIVE DATE

The effective date of disenrollment or transfer shall be no later than the first day of the month immediately following the calendar month the disenrollment is initiated by DMAHS. Notwithstanding anything herein to the contrary, the remittance tape, along with any changes reflected in the register or agreed upon by DMAHS and the Contractor in writing, shall serve as official notice to the MCO of disenrollment of an enrollee from the MCO's plan.

3.13 ENROLLMENT AND COVERAGE REQUIREMENTS

The Contractor shall comply with DMAHS enrollment procedures. The MCO shall accept enrollment for any individual who selects or is assigned to the MCO's plan, whether or not they are subject to mandatory enrollment, without regard to race, creed, color, national origin, nationality, ancestry, age, sex (including pregnancy), familial status, marital status, domestic partnership or civil union status; affectional or sexual orientation; gender identity or expression; atypical hereditary cellular or blood trait; genetic information, liability for military service, mental or physical disability, perceived disability, and AIDS and HIV status.

3.13.1 COVERAGE COMMENCEMENT

Coverage of enrollees shall commence at 12:00 a.m., Eastern Time, on the first day of the calendar month as specified by the DMAHS with the exceptions noted in Article 5.5. The day on which coverage commences shall be the enrollee's effective date of enrollment.

The Contractor shall accept enrollment of eligible persons within the defined enrollment areas in the order in which they apply or are auto-assigned to the Contractor (on a random basis with equal distribution among all participating Contractors) without restrictions, within contract limits. Enrollment shall be open at all times except when the contract limits have been met.

An MCO shall not deny enrollment of a person with an SSI disability or New Jersey Care Disabled category who resides outside of the enrollment area. However, enrollees with a disability shall be

required to utilize the MCO's established provider network. The MCO shall accept enrollees for enrollment throughout the duration of this contract.

3.13.2 ENROLLMENT TIMEFRAME

As of the effective date of enrollment, and until the enrollee is disenrolled from the MCO's plan, the MCO shall be responsible for the provision and cost of all care and services covered by the benefits package listed in Article 4.1. Enrollees who become eligible to receive services between the 1st through the end of the month shall be eligible for Managed Care services in that month. When an enrollee is shown on the enrollment roster as covered by an MCO's plan, the MCO shall be responsible for providing services to that person from the first day of coverage shown to the last day of the calendar month of the effective date of disenrollment. DMAHS will pay the Contractor a capitation rate during this period of time.

3.13.3 HOSPITALIZATIONS

For an eligible person hospitalized prior to the time coverage under the plan becomes effective, such coverage shall not commence until the first of the month after such person is discharged from the hospital, DMAHS will be liable for payment for the hospitalization, including any charges for re-admission within forty-eight (48) hours of discharge for the same diagnosis. If an enrollee's disenrollment or termination becomes effective during a hospitalization, the Contractor shall be liable for hospitalization until the date such person is discharged from the hospital, including any charges for re-admission within forty-eight (48) hours of discharge for the same diagnosis. The Contractor shall notify DMAHS within 180 days of initial hospital admission.

3.13.4 EXCEPTIONS AND CLARIFICATIONS

The Contractor shall be responsible for providing services to an enrollee unless otherwise notified by DMAHS. In certain situations, retroactive re-enrollments may be authorized by DMAHS.

There shall be no retroactive enrollment in Managed Care. Services for beneficiaries during any retroactive period shall remain fee-for-service, except for individuals eligible under NJ FamilyCare B, C, and D, who are not eligible until enrolled in an MCO. Coverage shall continue indefinitely unless this contract expires or is terminated or the enrollee is no longer eligible, or is deleted from the Contractor's list of eligible enrollees.

3.13.5 DECEASED

If an enrollee is deceased and appears on the recipient file as active, the Contractor shall promptly notify DMAHS. DMAHS shall recover capitation payments made on a prorated basis after the date of death. The Contractor shall require its providers to report to the Contractor enrollee deaths and dates of deaths.

3.13.6 INCARCERATED INDIVIDUALS

Incarcerated individuals are not eligible for Medicaid coverage pursuant to N.J.A.C. 10:71-3.14 (c).

3.13.7 NEWBORN BABIES

The Contractor shall immediately notify DMAHS of a birth so as to facilitate HMO enrollment of the newborn before the 60-day maternity payment period ends. (See Section B.5.1 of the Appendices, for the applicable Notification of Newborns form and amendments thereto.)

Coverage of newborn infants shall be the responsibility of the Contractor that covered the mother on the date of birth from the date of birth and for a minimum of 60 days after the birth, through the period ending at the end of the month in which the 60th day falls, unless the baby is determined eligible beyond that point. Any baby that is hospitalized during the first 60 days of life shall remain the Contractor's responsibility until discharge as well as for any hospital readmissions within forty-eight (48) hours of discharge for the same diagnosis (other than "liveborn infant"). DMAHS will take action with the appropriate CWA to have the infant accreted to the eligibility file and subsequently the enrollment roster of the Contractor. The mother's MCO shall be responsible for the hospital stay for the newborn following delivery and for subsequent services based on enrollment in the Contractor's plan. See Article 8 for reimbursement provisions.

Newborns born to an SSI mother who never applies for or may not be eligible for Temporary Assistance for Needy Families (TANF) remain the responsibility of the mother's MCO from the date of birth and for a minimum of 60 days after the birth, through the period ending at the end of the month in which the 60th day falls, unless the baby is determined eligible beyond that point. Any baby that is hospitalized during the first 60 days of life shall remain the Contractor's responsibility until discharge as well as for any hospital re-admission within forty-eight (48) hours of discharge for the same diagnosis (other than "liveborn infant").

Newborns placed under the jurisdiction of the Division of Youth and Family Services (DYFS) are the responsibility of the MCO that covered the mother on the date of birth for medically necessary newborn care. Such children shall become fee-for-service upon their placement in a DYFS/DCF-approved out-of-home placement.

Newborn infants born to NJ FamilyCare B, C, and D mothers shall be the responsibility of the MCO that covered the mother on the date of birth for a minimum of 60 days after the birth through the period ending at the end of the month in which the 60th day falls unless the child is determined eligible beyond this time period. The Contractor shall notify DMAHS of the birth immediately in order to assure payment for this period.

3.13.8 ENROLLEE NO LONGER IN CONTRACT AREA

If an enrollee moves out of the Contractor's enrollment area and would otherwise still be eligible to be enrolled in the Contractor's plan, the Contractor shall continue to provide or arrange benefits to the enrollee until DMAHS can disenroll him/her. The Contractor shall ask DMAHS to disenroll the enrollee due to the change of residence as soon as it becomes aware of the enrollee's relocation. (See Section B.5.1 of the Appendices, for the applicable Notification Form and amendments thereto). This provision does not apply to persons with disabilities, who may elect to remain with the Contractor, or to NJ FamilyCare B, C, and D enrollees, who remain enrolled until the end of the month in which the 60th day after the request falls.

3.13.9 ENROLLMENT ROSTER

The enrollment roster and transaction register generated by DMAHS shall serve as the official Contractor enrollment list. However, enrollment changes may occur between the time when the roster is produced and capitation payment is made. The Contractor shall only be responsible for the provision and cost of care for an enrollee during the months on which the enrollee's name appears on the roster, except as indicated in Article 8.8. DMAHS shall make data available on eligibility determinations to the Contractor to resolve discrepancies that may arise between the roster and Contractor enrollment files. If DMAHS notifies the Contractor in writing of changes in the roster, the Contractor shall rely upon that written notification in the same manner as the roster. Corrective action shall be limited to one (1) year from the date that the change was effective.

3.13.10 ENROLLMENT OF MEDICAID CASE

Enrollment shall be for the entire Medicaid case, i.e., all individuals included under the 10-digit Medicaid identification number (or 12-digit identification number in the case of DYFS/DCF population). The Contractor shall not enroll a partial case except at DMAHS' sole discretion.

3.13.11 DAILY ENROLLMENT TRANSACTIONS

DMAHS will process and forward enrollment transactions to the Contractor on a daily basis.

3.13.12 CAPITATION RECOVERY

Capitation payments for a full month coverage shall be recovered from the Contractor on a prorated basis when an enrollee is admitted to a nursing facility beginning on the 31st day of admission and the individual is disenrolled from the Contractor's plan on the 30th day of admission. In addition, capitation payments for a full month coverage shall be recovered from the Contractor on a prorated basis when an enrollee is admitted to a psychiatric care facility or other institution including incarceration and the individual is disenrolled from the Contractor's plan on the day prior to such admission.

3.13.13 ADJUSTMENTS TO CAPITATION

The monthly capitation payments shall include all adjustments made by DMAHS for reasons such as retroactive validation for newborns or retroactive termination of eligibility for death, incarceration or institutionalization. These adjustments will be documented by DMAHS by means of a remittance tape. With the exception of newborns, DMAHS shall be responsible for fee-for-service payments incurred by the enrollee during the period prior to actual enrollment in the Contractor's plan.

The Contractor shall cooperate with established procedures whereby DMAHS and the HBC shall monitor enrollment and disenrollment practices.

Nothing in this Article or contract shall be construed to limit, or in any way, jeopardize a Medicaid beneficiary's eligibility for New Jersey Medicaid.

DMAHS shall arrange for the determination of eligibility of each potential enrollee for covered services under this contract and to arrange for the provision of complete information to the Contractor with respect to such eligibility, including notification whenever an enrollee's Medicaid/NJ FamilyCare eligibility is discontinued.

3.13.14 AUTOMATIC RE-ENROLLMENT

An individual may be automatically re-enrolled in the Contractor's plan when he/she was disenrolled solely due to loss of Medicaid eligibility for a period of two (2) months or less.

3.13.15 SUPPLEMENTAL SECURITY INCOME (SSI) BENEFITS

The Contractor or designated third-party vendor may also help eligible enrollees qualify for SSI benefits. The enrollee shall not incur any financial obligation to the Contractor or third party vendor for services provided during enrollment. In addition, the Contractor and third party vendors shall comply with all Social Security laws.

4.0 PROPOSAL PREPARATION AND SUBMISSION

4.1 GENERAL

Proposals including supplemental terms and conditions may be accepted, but supplemental terms or conditions that conflict with those contained in this RFP or the State's NJ Standard Terms and Conditions ("RFP/SSTC"), as may be amended by addenda, or that diminish the State's rights under any contract resulting from the RFP will be considered null and void. The State is not responsible for identifying conflicting supplemental terms and conditions before issuing a contract award. In the event that prior to notice of intent to award, the Division notifies the Bidder of any such term or condition and the conflict it poses, the Division may require the Bidder to either withdraw it or withdraw its proposal. After award of contract:

- a) if conflict arises between a supplemental term or condition included in the proposal and a term or condition of the RFP/SSTC, the term or condition of the RFP/SSTC will prevail; and
- b) if the result of the application of a supplemental term or condition included in the proposal would diminish the State's rights, the supplemental term or condition will be considered null and void.

The Bidder is advised to thoroughly read and follow all instructions contained in this RFP, including the instructions on the RFP's signatory page, in preparing and submitting its proposal.

Use of URLs in a proposal should be kept to a minimum and may not be used to satisfy any material term of an RFP. If a preprinted or other document included as part of the proposal contains a URL, a printed (or if a proposal is submitted electronically, electronic) copy of the URL page shall be provided and will be considered as part of the proposal. Additional URLs on the copy of the URL page shall not be considered as part of the proposal unless a copy of those URL pages are also provided.

The forms discussed herein and required for submission of a proposal in response to this RFP are available on the web at <http://www.state.nj.us/treasury/purchase/bid/summary/16-x-00000.shtml> unless noted otherwise.

4.2 PROPOSAL DELIVERY AND IDENTIFICATION

In order to be considered, a proposal must arrive at the Division in accordance with the instructions on the RFP signatory page accompanying this RFP. Bidders are cautioned to allow adequate delivery time to ensure timely delivery of proposals. **State regulation mandates that late proposals are ineligible for consideration. THE EXTERIOR OF ALL PROPOSAL PACKAGES ARE TO BE LABELED WITH THE PROPOSAL IDENTIFICATION NUMBER AND THE FINAL PROPOSAL SUBMISSION DATE OR RISK NOT BEING RECEIVED IN TIME.**

4.3 EBID VS. NON-EBID SUBMISSION INSTRUCTION

4.3.1 EBID SUBMISSION OF PROPOSAL

If the bidder is submitting an eBid proposal, hard copy submission is still required, please see Section 4.3.2 for the number of complete and exact copies. Instructions detailing how to enroll in and submit an eBid are available on the web at <https://wwwnet1.state.nj.us/treasury/dpp/ebid/>. If the bidder submits both an eBid and a hard copy of the bidder's proposal, the eBid proposal will prevail in the event of a discrepancy between the electronic and paper versions.

When submitting an eBid, do not use any symbols (i.e., #, @, \$, &, *) in the filename. In addition, the bidder should name each converted PDF electronic file and folder as follows:

Volume 1 Section 1 Forms
Volume 1 Section 2 Technical Proposal
Volume 1 Section 3 Organizational Support and Experience

Volume 2 Section 4 Cost Proposal

If exhibits or attachments are submitted as part of your proposal, the exhibits/ attachments should be clearly labeled to accurately describe the form being submitted.

If a table of contents is provided, hyperlinks to the specific sections are preferred.

4.3.2 NON-EBID SUBMISSION

The bidder must submit the following proposal copies:

One (1) complete ORIGINAL proposal, clearly marked as the "ORIGINAL" proposal.

Six (6) complete and exact copy(ies), clearly marked "COPY".

One (1) unbound, complete and exact copy of the original, clearly marked "COPY".

One (1) complete and exact ELECTRONIC copy of the original proposal in an editable and "writable" PDF file format on disc (CD or DVD) for redaction. Note: the electronic copy must be editable.

Copies are necessary in the evaluation of the proposal and for record retention purposes. A bidder failing to provide the requested number of copies will be charged the cost incurred by the State in producing the requested number of copies. The bidder should make and retain a copy of its proposal.

4.4 PROPOSAL CONTENT

The proposal should be submitted in two volumes with the content of each volume as indicated below.

Volume 1
Section 1 - Forms (Sections 4.4.1 and 4.4.2)

Section 2 - Technical Proposal (Section 4.4.3) – **NOTE: This section of the bidder's submission is limited to 25 pages or fewer, with no smaller than a 12 point font.**

Section 3 - Organizational Support and Experience (Section 4.4.4)

Volume 2

Section 4 – Price Schedule (Section 4.4.5)

4.4.1 FORMS, REGISTRATIONS AND CERTIFICATIONS REQUIRED WITH PROPOSAL

4.4.1.1 SIGNATORY PAGE

The bidder shall complete, including signature of an authorized representative of the bidder, and submit the Signatory Page accompanying this RFP. If the bidder is a limited partnership, the Signatory Page must be signed by a general partner. If the bidder is a joint venture, the Signatory Page must be signed by a principal of each party to the joint venture. Failure to comply will result in rejection of the proposal.

Note: A bidder's written signature on the Signatory Page, or entry of a Personal Identification Number (PIN) if using the eBid system, shall not serve as a certifying signature on the forms comprising the NJ STANDARD RFP FORMS document. (See 4.4.1.2)

4.4.1.1.1 MACBRIDE PRINCIPLES CERTIFICATION

The bidder must certify pursuant to N.J.S.A. 52:34-12.2 that it is in compliance with the MacBride principles of nondiscrimination in employment as set forth in N.J.S.A. 52:18A-89.5 and in conformance with the United Kingdom's Fair Employment (Northern Ireland) Act of 1989, and permit independent monitoring of their compliance with those principles. Please refer to Section 2.5 of the State of NJ Standard Terms and Conditions and N.J.S.A. 52:34-12.2 for additional information about the MacBride principles.

By signing the RFP Signatory Page, or by entering its PIN if submitting an eBid proposal, the bidder/offeror is automatically certifying that either:

- a. The bidder has no operations in Northern Ireland; or
- b. The bidder has business operations in Northern Ireland and is committed to compliance with the MacBride principles.

A bidder/offeror electing not to certify to the MacBride Principles must nonetheless sign the RFP Signatory Page AND must include, as part of its proposal, a statement indicating its refusal to comply with the provisions of this Act.

4.4.1.1.2 NO SUBCONTRACTOR CERTIFICATION

For a proposal that does NOT include the use of any subcontractors, by signing the RFP Signatory Page, or by entering a PIN if submitting an e-Bid proposal, the bidder is *automatically* certifying that:

1. In the event the award is granted to bidder's firm and the bidder later determines at any time during the term of the Contract to engage subcontractors to provide certain goods and/or services, pursuant to Section 5.8 of the State of NJ Standard Terms and Conditions, the bidder will submit a Subcontractor Utilization Plan form for approval to the Division of Purchase and Property in advance of any such engagement of subcontractors.

2. If the contract is a small business subcontracting set-aside, the bidder certifies that in engaging subcontractors, it will make a good faith effort to achieve the subcontracting set-aside goals, and will attach to the Subcontractor Utilization Plan documentation of such efforts in accordance with N.J.A.C. 17:13-4 et seq.

4.4.1.1.3 NON-COLLUSION

By submitting a proposal, the bidder certifies as follows:

- a. The price(s) and amount of its proposal have been arrived at independently and without consultation, communication or agreement with any other contractor, bidder or potential bidder.
- b. Neither the price(s) nor the amount of its proposal, and neither the approximate price(s) nor approximate amount of this proposal, have been disclosed to any other firm or person who is a bidder or potential bidder, and they will not be disclosed before the proposal submission.
- c. No attempt has been made or will be made to induce any firm or person to refrain from bidding on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
- d. The proposal of the firm is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- e. The bidder, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last four (4) years been convicted or found liable for any act prohibited by state or federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract.

4.4.1.1.4 NEW JERSEY BUSINESS ETHICS GUIDE CERTIFICATION

The Treasurer has established a business ethics guide to be followed by State contractors in their dealings with the State. The guide provides further information about compliance with Section 2.8 of the State of New Jersey Standard Terms and Conditions. The guide can be found at: http://www.state.nj.us/treasury/purchase/ethics_guide.shtml.

By signing the RFP signatory page, or by entering a pin if submitting an e-bid proposal, the bidder is automatically certifying that it has read the guide, understands its provisions and is in compliance with its provisions.

4.4.1.2 NJ STANDARD RFP FORMS

One of the downloadable RFP documents is titled NJ STANDARD RFP FORMS. It is comprised of three separate forms, two of which (Ownership Disclosure and Disclosure of Investment Activities in Iran) discussed below, must be completed, signed and submitted with the bidder's proposal. **The bidder is cautioned that failure to complete, sign and submit either of these two forms will be cause to reject its proposal as non-responsive as noted below.** If the bidder submits a hard copy proposal, each of the two forms must be physically signed.

If the bidder is submitting an electronic proposal through the Division's eBid system, there are only two acceptable forms of signature for the two forms:

1. The bidder may download the document, physically complete and sign each form, scan the completed document and then upload it, or

2. The bidder may download the document, type the name of the signatory in the space designated for certification signature in each of the forms and then upload the document.

Note: A bidder's entry of a Personal Identification Number (PIN) shall not suffice as a certifying signature on the forms comprising the NJ STANDARD RFP FORMS document.

4.4.1.2.1 OWNERSHIP DISCLOSURE FORM

Pursuant to N.J.S.A. 52:25-24.2, in the event the bidder is a corporation, partnership or sole proprietorship, the bidder must complete and sign the attached Ownership Disclosure Form. A current completed Ownership Disclosure Form must be received prior to or accompany the submitted proposal. A bidder's failure to submit the completed and signed form with its proposal will result in the rejection of the proposal as non-responsive and preclude the award of a contract to said bidder unless the Division has on file a signed and accurate Ownership Disclosure Form dated and received no more than six months prior to the proposal submission deadline for this procurement. If any ownership change has occurred within the last six months, a new Ownership Disclosure Form must be completed, signed and submitted with the proposal.

4.4.1.2.2 DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN FORM

Pursuant to N.J.S.A. 52:32-58, the bidder must utilize this Disclosure of Investment Activities in Iran form to certify that neither the bidder, nor one of its parents, subsidiaries, and/or affiliates (as defined in N.J.S.A. 52:32-56(e)(3)), is listed on the Department of the Treasury's List of Persons or Entities Engaging in Prohibited Investment Activities in Iran and that neither the bidder, nor one of its parents, subsidiaries, and/or affiliates, is involved in any of the investment activities set forth in N.J.S.A. 52:32-56(f). If the bidder is unable to so certify, the bidder shall provide a detailed and precise description of such activities as directed on the form. A bidder's failure to submit the completed and signed form with its proposal will result in the rejection of the proposal as non-responsive and preclude the award of a contract to said bidder.

4.4.1.3 SUBCONTRACTOR UTILIZATION PLAN

All bidders intending to use a subcontractor must submit a completed Subcontractor Utilization Plan. Please see the State of New Jersey, Division of Purchase and Property's Subcontractor Forms which includes the Subcontractor Utilization Plan form.

4.4.1.4 SMALL BUSINESS REGISTRATION FOR SET-ASIDE CONTRACTS

Pursuant to the provisions of N.J.S.A. 52:32-17 and N.J.A.C. 17:13, this contract, or a portion thereof, has been designated as a set-aside contract for small business. As such, as indicated on page one of this document, eligibility to bid is limited to bidders that meet statutory and regulatory requirements and have had their eligibility determined by the New Jersey Division of Revenue and Enterprise Services, Small Business Registration and M/WBE Certification Services Unit.

As defined at N.J.A.C. 17:13-1.2, "Small Business" means a business that is incorporated or registered in and has its principal place of business in the State of New Jersey, is independently owned and operated, and has no more than 100 full-time employees. The program places small business into the following categories: (i) those with gross revenues not exceeding \$500,000; (ii) those with gross revenues not exceeding \$5 million; and (iii) those with gross revenues that do not exceed \$12 million, or the applicable federal revenue standards established at 13 CFR 121.201, whichever is higher. While companies registered as having revenues below \$500,000 can bid on any contract, those earning more than the \$500,000 and \$5 million amounts will not be permitted to bid on contracts designated for revenue classifications below their respective levels.

Inasmuch as this is a full or partial set-aside contract, the bidder should provide, as part of its response to this solicitation, proof of its current registration as a qualifying small business with the New Jersey Division of Revenue and Enterprise Services, Small Business Registration and M/WBE Certification Services Unit. Application and registration requirements are presented on the web at: <http://www.nj.gov/njbusiness/contracting/> or by contacting that agency during business hours as indicated below.

NEW JERSEY DEPARTMENT OF THE TREASURY
DIVISION OF REVENUE AND ENTERPRISE SERVICES
SMALL BUSINESS REGISTRATION AND M/WBE CERTIFICATION SERVICES UNIT
33 WEST STATE STREET – FIFTH FLOOR
PO BOX 026, TRENTON, NJ 08625-0026
TELEPHONE: 609-292-2146
FAX #: 609-292-8764

** IF THE BIDDER IS AN INCUMBENT CONTRACTOR AND/OR HAS PREVIOUSLY REGISTERED OR BEEN CERTIFIED UNDER THE FORMER SBE/MBE/WBE PROGRAM, THE BIDDER SHOULD ENSURE IT IS REGISTERED ON THE DAY OF PROPOSAL RECEIPT AND OPENING WITH THE DIVISION OF REVENUE AND ENTERPRISE SERVICES, SMALL BUSINESS REGISTRATION AND M/WBE CERTIFICATION SERVICES UNIT TO BE ELIGIBLE FOR AWARD.

IN ORDER TO EXPEDITE THE SMALL BUSINESS REGISTRATION PROCESS FOR THIS PROCUREMENT, THE BIDDER MAY FAX A COPY OF RFP PAGE ONE (1) REFLECTING THE PROPOSAL SUBMISSION DATE ALONG WITH THE COMPLETED SMALL BUSINESS REGISTRATION FORM TO THE NEW JERSEY DIVISION OF REVENUE AND ENTERPRISE SERVICES, SMALL BUSINESS REGISTRATION AND M/WBE CERTIFICATION SERVICES UNIT TO THE FAX NUMBER ABOVE.

4.4.1.4.2 SMALL BUSINESS SUBCONTRACTING SET-ASIDE CONTRACTS

This is a contract with set-aside subcontracting goals for New Jersey Small Business Enterprises. If the bidder intends to subcontract, it must submit a Subcontractor Utilization Plan. If the bidder intends to subcontract, the bidder should take the following actions to achieve the set-aside subcontracting goal requirements:

1. Attempt to locate eligible small businesses in Categories I, II, and III appropriate to the RFP;
2. Request a listing of small businesses by Category from the New Jersey Division of Revenue and Enterprise Services, Small Business Registration and M/WBE Certification Services Unit;
3. Record efforts to locate eligible businesses, including the names of businesses contacted and the means and results of such contacts;
4. Provide all potential subcontractors with detailed information regarding the specifications;
5. Attempt, whenever possible, to negotiate prices with potential subcontractors submitting higher than acceptable price quotes;
6. Obtain, in writing, the consent of any proposed subcontractor to use its name in response to the RFP; and,
7. Maintain adequate records documenting efforts to achieve the set-aside subcontracting goals.

Proposals should also contain a copy of the New Jersey Division of Revenue and Enterprise Services, Small Business Registration and M/WBE Certification Services Unit's proof of registration as a small business for any business proposed as a subcontractor; and

documentation of the bidder's good faith effort to meet the targets of the set-aside subcontracting requirement in sufficient detail to permit the Proposal Review Unit of the Division to effectively assess the bidder's efforts to comply if the bidder has failed to attain the statutory goals.

If the bidder chooses to use subcontractors and fails to meet the small business subcontracting targets set forth above, the bidder must submit documentation demonstrating its good faith effort to meet the targets with its proposal or within seven (7) business days upon request.

NOTE: A BIDDER'S FAILURE TO SATISFY THE SMALL BUSINESS SUBCONTRACTING TARGETS OR PROVIDE SUFFICIENT DOCUMENTATION OF ITS GOOD FAITH EFFORTS TO MEET THE TARGETS WITH THE PROPOSAL OR WITHIN SEVEN (7) DAYS UPON REQUEST SHALL PRECLUDE AWARD OF A CONTRACT TO THE BIDDER.

If awarded the contract, the bidder shall notify each subcontractor listed in the Plan, in writing.

Each bidder awarded a contract for a procurement which contains the set-aside subcontracting goal requirement shall fully cooperate in any studies or surveys which may be conducted by the State to determine the extent of the bidder's compliance with N.J.A.C. 17:13-1.1 et seq., and this RFP.

4.4.1.5 BID SECURITY

Not applicable to this procurement.

4.4.1.6 PRICING

The bidder must submit its pricing on the State supplied Price Sheet/ Schedule and supply any additional pricing information as directed in RFP Section 4.4.5.

4.4.2 FORMS REQUIRED BEFORE CONTRACT AWARD AND THAT SHOULD BE SUBMITTED WITH THE PROPOSAL

4.4.2.1 BUSINESS REGISTRATION

In accordance with N.J.S.A. 52:32-44(b), a bidder and its named subcontractors must have a valid Business Registration Certificate ("BRC") issued by the Department of Treasury, Division of Revenue and Enterprise Services prior to the award of a contract. To facilitate the proposal evaluation and contract award process, the bidder should submit a copy of its valid BRC and those of any named subcontractors with its proposal. Refer to Section 2.1 of the State of NJ Standard Terms and Conditions.

Any bidder, inclusive of any named subcontractors, who does not have a valid business registration at the time of the proposal submission opening or whose BRC was revoked prior to the submission of the proposal should proceed immediately to register its business or seek re-instatement of a revoked BRC. Bidders are cautioned that it may require a significant amount of time to secure the re-instatement of a revoked BRC. The process can require actions by both the Division of Revenue and Enterprise Services and the Division of Taxation. For this reason, a bidder's early attention to this requirement is highly recommended. The bidder and its named subcontractors may register with the Division of Revenue and Enterprise Services, obtain a copy of an existing BRC or obtain information necessary to seek re-instatement of a revoked BRC online at <http://www.state.nj.us/treasury/revenue/busregcert.shtml>.

A bidder otherwise identified by the Division as a responsive and responsible bidder, inclusive of any named subcontractors, but that was not business registered at the time of submission of its

proposal must be so registered and in possession of a valid BRC by a deadline to be specified in writing by the Division. A bidder who fails to comply with this requirement by the deadline specified by the Division will be deemed ineligible for contract award. Under any circumstance, the Division will rely upon information available from computerized systems maintained by the State as a basis to verify independently compliance with the requirement for business registration.

A bidder receiving a contract award as a result of this procurement and any subcontractors named by that bidder will be required to maintain a valid business registration with the Division of Revenue and Enterprise Services for the duration of the executed contract, inclusive of any contract extensions.

4.4.2.2 DISCLOSURE OF INVESTIGATIONS AND ACTIONS INVOLVING BIDDER FORM

The bidder should submit the Disclosure of Investigations and Actions Involving Bidder Form, one of the three forms in the downloadable RFP documents titled NJ STANDARD RFP FORMS with its proposal, to provide a detailed description of any investigation, litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five (5) years, including the nature and status of the investigation, and, for any litigation, the caption of the action, a brief description of the action, the date of inception, current status, and, if applicable, disposition. If a bidder does not submit the form with the proposal, the bidder must comply within seven (7) business days of the State's request or the State may deem the proposal non-responsive.

4.4.2.3 SERVICES SOURCE DISCLOSURE CERTIFICATION FORM

Pursuant to N.J.S.A. 52:34-13.2, prior to an award of contract, the bidder is required to submit a completed source disclosure form. The bidder's inclusion of the completed Services Source Disclosure Form with the proposal is requested and advised. Refer to RFP Section 7.1.2 for additional information concerning this requirement.

4.4.3 TECHNICAL PROPOSAL

In this section, the bidder shall describe its approach and plans for accomplishing the work outlined in the Scope of Work section, i.e., Section 3.0. The bidder must set forth its understanding of the requirements of this RFP and its ability to successfully complete the contract. This section of the proposal should minimally contain the information identified below.

- The Bidder should provide a plan that demonstrates its intended methods and ways of accomplishing each requirement, service or task specified in Section 3 of this RFP. The Bidder should also identify the resources it will employ to complete or perform the given requirement, service or task. This should include the Bidder's proposed and recommended qualifications for the staff assigned to the project.
- The Bidder should submit examples of all system generated reports.
- The Bidder should propose a marketing and communications plan that it believes will result in a more effective mandated managed care program as well as be adaptable to accommodate new programs with similar functions or change existing programs for the NJ FamilyCare/Medicaid Program.
- The bidder should provide its plan for recruitment of staff required to provide all services required by this RFP in its bid proposal.

- The bidder should document that it is an established organization with knowledge and experience with Medicaid, managed care program and CHIP, yet shall not be categorized as one of the following:
 1. A managed care organization;
 2. A provider of health care services;
 3. An association of health care plans; and
 4. An association of providers of health care services.

- The bidder should demonstrate and document its overall knowledge and experience according to the following:
 1. Medicaid and NJ FamilyCare eligibility determinations;
 2. CHIP eligibility determinations;
 3. Determining the collection of premiums;
 4. Outreach and education of clients on managed care;
 5. Medicaid managed care enrollment in MCOs;
 6. Public/private partnerships in health care;
 7. The bidder should demonstrate its organizational knowledge relative to the maintenance, operation and administration of a comprehensive management information system that is capable of performing all of the system requirements of the RFP. This should include, but not be limited to, producing reports, maintaining a comprehensive provider network database, client mailing, tracking, enrollment and premium collection, and eligibility determination systems and has the ability to make immediate modifications and adjustments to correct errors and maintain smooth operational status at all times.
 8. The bidder should demonstrate its knowledge and ability to implement a program in keeping with the requirements of the RFP on a Statewide basis.
 9. The bidder should demonstrate its knowledge of strategic planning and project management as specifically proven in the implementation of Statewide programs affecting multiple diverse populations.
 10. The bidder should demonstrate its knowledge and thorough understanding and direct experience with market research and general marketing principles so as to assure the successful implementation of a marketing campaign to targeted populations.

4.4.3.1 MANAGEMENT OVERVIEW

The bidder should set forth its overall technical approach and plans to meet the requirements of the RFP in a narrative format. This narrative should demonstrate to the State that the bidder understands the objectives that the contract is intended to meet, the nature of the required work and the level of effort necessary to successfully complete the contract. This narrative should demonstrate to the State that the bidder's general approach and plans to undertake and complete the contract are appropriate to the tasks and subtasks involved.

Mere reiterations of RFP tasks and subtasks are strongly discouraged, as they do not provide insight into the bidder's ability to complete the contract. The bidder's response to this section should be designed to demonstrate to the State that the bidder's detailed plans and approach proposed to complete the Scope of Work are realistic, attainable and appropriate and that the bidder's proposal will lead to successful contract completion.

4.4.3.2 CONTRACT MANAGEMENT

The bidder should describe its specific plans to manage, control and supervise the contract to ensure satisfactory contract completion according to the required schedule. The plan should include the bidder's approach to communicate with the State Contract Manager including, but not limited to, status meetings, status reports, etc.

4.4.3.3 CONTRACT SCHEDULE

The bidder should include a contract schedule. If key dates are a part of this RFP, the bidder's schedule should incorporate such key dates and should identify the completion date for each task and sub-task required by the Scope of Work. Such schedule should also identify the associated deliverable item(s) to be submitted as evidence of completion of each task and/or subtask.

The bidder should identify the contract scheduling and control methodology to be used and should provide the rationale for choosing such methodology. The use of Gantt, PERT or other charts is at the option of the bidder.

4.4.3.4 MOBILIZATION AND IMPLEMENTATION PLAN

It is essential that the State move forward quickly to have the contract in place. Therefore, the bidder must include as part of its proposal a mobilization and implementation plan, beginning with the date of notification from the SCM of contract award for a period of one hundred and twenty (120) calendar days.

Such mobilization and implementation plan should include the following elements:

- a. A detailed timetable for the mobilization and implementation period. This timetable should be designed to demonstrate how the bidder will have the contract up and operational from the date of notification of award.
- b. The bidder's plan for the deployment and use of management, supervisory or other key personnel during the mobilization and implementation period. The plan should show all management, supervisory and key personnel that will be assigned to manage, supervise and monitor the bidder's mobilization and implementation of the contract within the period of one hundred and twenty (120) calendar days.

NOTE: The bidder should clearly identify management, supervisory or other key staff that will be assigned only during the mobilization and implementation period.

- c. The bidder's plan for recruitment of staff required to provide all services required by the RFP on the contract start date at the end of the mobilization and implementation period.
- d. The bidder's plan for the purchase and distribution of equipment, inventory, supplies, materials, etc. that will be required to fully implement the contract on the required start date.
- e. The bidder's plan for the use of subcontractor(s), if any, on this contract. Emphasis should be on how any subcontractor identified will be involved in the mobilization and implementation plan.

4.4.3.5 POTENTIAL PROBLEMS

The bidder should set forth a summary of any and all problems or conflicts of interest that the bidder anticipates during the term of the contract. For each problem identified, the bidder should provide its proposed solution.

4.4.4 ORGANIZATIONAL SUPPORT AND EXPERIENCE

The bidder should include information relating to its organization, personnel, and experience, including, but not limited to, references, together with contact names and telephone numbers, evidencing the bidder's qualifications, and capabilities to perform the services required by this RFP. This section of the proposal must minimally contain the information identified below.

4.4.4.1 LOCATION

The bidder should include the address of the bidder's office where responsibility for managing the contract will take place. The bidder should include the telephone number and name of the individual to contact.

4.4.4.2 ORGANIZATION CHARTS

- a. **Contract-Specific Chart.** The bidder should include a contract organization chart, with names showing management, supervisory and other key personnel (including subcontractor management, supervisory or other key personnel) to be assigned to the contract. The chart should include the labor category and title of each such individual.
- b. **Chart for Entire Firm.** The bidder should include an organization chart showing the bidder's entire organizational structure. This chart should show the relationship of the individuals assigned to the contract to the bidder's overall organizational structure.

4.4.4.3 RESUMES

Detailed resumes should be submitted for all management, supervisory and key personnel to be assigned to the contract. Resumes should emphasize relevant qualifications and experience of these individuals in successfully completing contracts of a similar size and scope to those required by this RFP. Resumes should include the following:

- The individual's previous experience in completing each similar contract.
- Beginning and ending dates for each similar contract.
- A description of the contract demonstrating how the individual's work on the completed contract relates to the individual's ability to contribute to successfully providing the services required by this RFP.
- With respect to each similar contract, the name and address of each reference together with a person to contact for a reference check and a telephone number.

The bidder should provide detailed resumes for each subcontractor's management, supervisory and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the subcontractor is designated to perform. When a bidder submits resumes pursuant to this paragraph, the bidder shall redact the social security numbers, home addresses, personal telephone numbers and any other personally identifying information other than the individual's name from the resume.

4.4.4.4 BACKUP STAFF

The bidder should include a list of backup staff that may be called upon to assist or replace primary individuals assigned. Backup staff must be clearly identified as backup staff.

In the event the bidder must hire management, supervisory and/ or key personnel if awarded the contract, the bidder should include, as part of its recruitment plan, a plan to secure backup staff in the event personnel initially recruited need assistance or need to be replaced during the contract term.

4.4.4.5 EXPERIENCE WITH CONTRACTS OF SIMILAR SIZE AND SCOPE

The bidder should provide a comprehensive listing of contracts of similar size and scope that it has successfully completed, as evidence of the bidder's ability to successfully complete the services required by this RFP. Emphasis should be placed on contracts that are similar in size and scope to the work required by this RFP. A description of all such contracts should be included and should show how such contracts relate to the ability of the firm to complete the services required by this RFP. For each such contract, the bidder should provide two names and telephone numbers of individuals for the other contract party. Beginning and ending dates should also be given for each contract.

The bidder should provide documented experience to demonstrate that each subcontractor has successfully performed work on contracts of a similar size and scope to the work that the subcontractor is designated to perform in the bidder's proposal. The bidder must provide a detailed description of services to be provided by each subcontractor.

4.4.4.6 FINANCIAL CAPABILITY OF THE BIDDER

In order to provide the State with the ability to judge the bidder's financial capacity and capabilities to undertake and successfully complete the contract, the bidder should submit certified financial statements which include a balance sheet, income statement and statement of cash flow, and all applicable notes for the most recent calendar year or the bidder's most recent fiscal year. If certified financial statements are not available, the bidder should provide either a reviewed or compiled statement from an independent accountant setting forth the same information required for the certified financial statements, together with a certification from the Chief Executive Officer and the Chief Financial Officer, that the financial statements and other information included in the statements fairly present in all material respects the financial condition, results of operations and cash flows of the bidder as of, and for, the periods presented in the statements. In addition, the bidder should submit a bank reference.

If the information is not supplied with the proposal, the State may still require the bidder to submit it. If the bidder fails to comply with the request within seven (7) business days, the State may deem the proposal non-responsive.

A bidder may designate specific financial information as not subject to disclosure when the bidder has a good faith legal/factual basis for such assertion. A bidder may submit specific financial documents in a separate, sealed package clearly marked "Confidential-Financial Information" along with the proposal.

The State reserves the right to make the determination to accept the assertion and shall so advise the bidder.

4.4.5 PRICE SCHEDULE/SHEET

The bidder must submit its pricing using the format set forth in the State-supplied price sheet/schedule(s) accompanying this RFP. Failure to submit all information required will result in the proposal being considered non-responsive. Each bidder is required to hold its prices firm through issuance of contract.

4.4.5.1 DELIVERY COSTS

Unless otherwise noted elsewhere in the RFP, all prices for items in proposals shall be submitted F.O.B. Destination. Proposals submitted other than F.O.B. Destination may not be considered. Regardless of the method of quoting shipments, the contractor shall assume all costs, liability and responsibility for the delivery of merchandise in good condition to the State's using agency or designated purchaser.

F.O.B. Destination does not cover "spotting" but does include delivery on the receiving platform of the ordering agency at any destination in the State of New Jersey unless otherwise specified. No additional charges will be allowed for any additional transportation costs resulting from partial shipments made at contractor's convenience when a single shipment is ordered. The weights and measures of the State's using agency receiving the shipment shall govern.

4.4.5.2 C.O.D. TERMS

C.O.D. terms are not acceptable as part of a proposal and will be cause for rejection of a proposal.

4.4.5.3 CASH DISCOUNTS

Bidders are encouraged to offer cash discounts based on expedited payment by the State. The State will make efforts to take advantage of discounts, but discounts will not be considered in determining the lowest proposal.

- a. Discount periods shall be calculated starting from the next business day after the using agency has accepted the goods or services, received a properly signed and executed invoice and, when required, a properly executed performance security, whichever is latest.
- b. The date on the check issued by the State in payment of that invoice shall be deemed the date of the State's response to that invoice.

4.4.6 COOPERATIVE PURCHASING

Not applicable to this procurement.

5.0 SPECIAL CONTRACTUAL TERMS AND CONDITIONS

5.1 PRECEDENCE OF SPECIAL CONTRACTUAL TERMS AND CONDITIONS

The contract awarded as a result of this RFP shall consist of this RFP, addenda to this RFP, the contractor's proposal, any best and final offer and the Division's Notice of Award.

Unless specifically stated within this RFP, the Special Contractual Terms and Conditions of the RFP take precedence over the State of NJ Standard Terms and Conditions accompanying this RFP.

In the event of a conflict between the provisions of this RFP, including the Special Contractual Terms and Conditions and the State of NJ Standard Terms and Conditions, and any addendum to this RFP, the addendum shall govern.

In the event of a conflict between the provisions of this RFP, including any addendum to this RFP, and the bidder's proposal, the RFP and/or the addendum shall govern.

5.2 CONTRACT TERM AND EXTENSION OPTION

The term of the contract shall be for a period of **five (5) years**. The anticipated "Contract Effective Date" is provided on the signatory page accompanying this RFP. If delays in the procurement process result in a change to the anticipated Contract Effective Date, the bidder agrees to accept a contract for the full term of the contract.

The contract may be extended for up to **two (2) years** with no single extension exceeding one (1) year, by the mutual written consent of the contractor and the Director at the same terms, conditions, and pricing at the rates in effect in the last year of the contract or rates more favorable to the State.

5.3 CONTRACT TRANSITION

In the event that a new contract has not been awarded prior to the contract expiration date, as may be extended herein, it shall be incumbent upon the contractor to continue the contract under the same terms and conditions until a new contract can be completely operational. At no time shall this transition period extend more than **180 CALENDAR DAYS** beyond the expiration date of the contract.

5.4 CONTRACT AMENDMENT

Any changes or modifications to the terms of the contract shall be valid only when they have been reduced to writing and signed by the contractor and the Director.

5.5 CONTRACTOR RESPONSIBILITIES

The contractor shall have sole responsibility for the complete effort specified in the contract. Payment will be made only to the contractor. The contractor shall have sole responsibility for all payments due any subcontractor.

The contractor is responsible for the professional quality, technical accuracy and timely completion and submission of all deliverables, services or commodities required to be provided under the contract. The contractor shall, without additional compensation, correct or revise any errors, omissions, or other deficiencies in its deliverables and other services. The approval of deliverables furnished under this contract shall not in any way relieve the contractor of responsibility for the technical adequacy of its work. The review, approval, acceptance or

payment for any of the services shall not be construed as a waiver of any rights that the State may have arising out of the contractor's performance of this contract.

5.6 SUBSTITUTION OF STAFF

The contractor shall forward a request to substitute staff to the State Contract Manager for consideration and approval. No substitute personnel are authorized to begin work until the contractor has received written approval to proceed from the State Contract Manager.

If it becomes necessary for the contractor to substitute any management, supervisory or key personnel, the contractor shall identify the substitute personnel and the work to be performed. The contractor must provide detailed justification documenting the necessity for the substitution. Resumes must be submitted evidencing that the individual(s) proposed as substitute(s) have qualifications and experience equal to or better than the individual(s) originally proposed or currently assigned.

5.7 SUBSTITUTION OR ADDITION OF SUBCONTRACTOR(S)

This Subsection serves to supplement but not to supersede Sections 5.8 and 5.9 of the State of NJ Standard Terms and Conditions accompanying this RFP.

The contractor shall forward a written request to substitute or add a subcontractor or to substitute its own staff for a subcontractor to the State Contract Manager for consideration. If the State Contract Manager approves the request, the State Contract Manager will forward the request to the Director for final approval. No substituted or additional subcontractors are authorized to begin work until the contractor has received written approval from the Director.

If it becomes necessary for the contractor to substitute a subcontractor, add a subcontractor or substitute its own staff for a subcontractor, the contractor will identify the proposed new subcontractor or staff member(s) and the work to be performed. The contractor must provide detailed justification documenting the necessity for the substitution or addition.

The contractor must provide detailed resumes of its proposed replacement staff or of the proposed subcontractor's management, supervisory and other key personnel that demonstrate knowledge, ability and experience relevant to that part of the work which the subcontractor is to undertake.

The qualifications and experience of the replacement(s) must equal or exceed those of similar personnel proposed by the contractor in its proposal.

5.8 OWNERSHIP OF MATERIAL

All data, technical information, materials gathered, originated, developed, prepared, used or obtained in the performance of the contract, including, but not limited to, all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video and/or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and print-outs, notes and memoranda, written procedures and documents, regardless of the state of completion, which are prepared for or are a result of the services required under this contract shall be and remain the property of the State of New Jersey and shall be delivered to the State of New Jersey upon thirty (30) Days' notice by the State. With respect to software computer programs and/or source codes developed for the State, except those modifications or adaptations made to Bidder or Contractor's Background IP as defined below, the work shall be considered "work for hire", i.e., the State, not the Contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes

developed. To the extent that any of such materials may not, by operation of the law, be a work made for hire in accordance with the terms of this Contract, Contractor or subcontractor hereby assigns to the State all right, title and interest in and to any such material, and the State shall have the right to obtain and hold in its own name and copyrights, registrations and any other proprietary rights that may be available.

Should the Bidder anticipate bringing pre-existing intellectual property into the project, the intellectual property must be identified in the proposal. Otherwise, the language in the first paragraph of this section prevails. If the Bidder identifies such intellectual property ("Background IP") in its proposal, then the Background IP owned by the Bidder on the date of the contract, as well as any modifications or adaptations thereto, remain the property of the Bidder. Upon contract award, the Bidder or Contractor shall grant the State a nonexclusive, perpetual royalty free license to use any of the Bidder/Contractor's Background IP delivered to the State for the purposes contemplated by the contract.

Auditing firm working papers remain the property of the auditing firm in accordance with standards issued by the American Institute of Certified Public Accountants (AICPA). While considered confidential information, the State recognizes that the firm may be requested to make certain working papers available to regulatory agencies pursuant to authority given by law or regulation. In such instances, access to the working papers may be provided to these agencies based upon AICPA standards and under supervision of the firm.

5.9 SECURITY AND CONFIDENTIALITY

5.9.1 DATA CONFIDENTIALITY

All financial, statistical, personnel, customer and/or technical data supplied by the State to the Contractor are confidential (State Confidential Information). The Contractor must secure all data from manipulation, sabotage, theft or breach of confidentiality. The Contractor is prohibited from releasing any financial, statistical, personnel, customer and/or technical data supplied by the State that is deemed confidential. Any use, sale, or offering of this data in any form by the Contractor, or any individual or entity in the Contractor's charge or employ, will be considered a violation of this Contract and may result in Contract termination and the Contractor's suspension or debarment from State contracting. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution.

The Contractor shall assume total financial liability incurred by the Contractor associated with any breach of confidentiality.

When requested, the Contractor and all project staff including its subcontractor(s) must complete and sign confidentiality and non-disclosure agreements provided by the State. The Contractor may be required to view yearly security awareness and confidentiality training modules provided by the State. Where required, it shall be the Contractor's responsibility to ensure that any new staff sign the confidentiality agreement and complete the security awareness and confidentiality training modules within one month of the employees' start date.

The State reserves the right to obtain, or require the Contractor to obtain, criminal history background checks from the New Jersey State Police for all Contractor and project staff (to protect the State of New Jersey from losses resulting from contractor employee theft, fraud or dishonesty). If the State exercises this right, the results of the background check(s) must be made available to the State for consideration before the employee is assigned to work on the State's project. Prospective employees with positive criminal backgrounds for cyber-crimes will not be approved to work on State Projects. Refer to the National Institute of Standards and

5.9.1.1 CONTRACTOR'S CONFIDENTIAL INFORMATION

- a. The obligations of the State under this provision are subject to the New Jersey Open Public Records Act ("OPRA"), N.J.S.A. 47:1A-1 et seq., the New Jersey common law right to know, and any other lawful document request or subpoena.
- b. By virtue of this contract, the parties may have access to information that is confidential to one another. The parties agree to disclose to each other only information that is required for the performance of their obligations under this contract. Contractor's Confidential Information, to the extent not expressly prohibited by law, shall consist of all information clearly identified as confidential at the time of disclosure and anything identified in Contractor's proposal as Background IP ("Contractor Confidential Information"). Notwithstanding the previous sentence, the terms and pricing of this contract are subject to disclosure under OPRA, the common law right to know, and any other lawful document request or subpoena.
- c. A party's Confidential Information shall not include information that: (a) is or becomes a part of the public domain through no act or omission of the other party; (b) was in the other party's lawful possession prior to the disclosure and had not been obtained by the other party either directly or indirectly from the disclosing party; (c) is lawfully disclosed to the other party by a third party without restriction on the disclosure; or (d) is independently developed by the other party.
- d. The State agrees to hold Contractor's Confidential Information in confidence, using at least the same degree of care used to protect its own Confidential Information.
- e. In the event that the State receives a request for Contractor Confidential Information related to this contract pursuant to a court order, subpoena, or other operation of law, the State agrees, if permitted by law, to provide Contractor with as much notice, in writing, as is reasonably practicable and the State's intended response to such order of law. Contractor shall take any action it deems appropriate to protect its documents and/or information.
- f. In addition, in the event Contractor receives a request for State Confidential Information pursuant to a court order, subpoena, or other operation of law, Contractor shall, if permitted by law, provide the State with as much notice, in writing, as is reasonably practicable and Contractor's intended response to such order of law. The State shall take any action it deems appropriate to protect its documents and/ or information.
- g. Notwithstanding the requirements of nondisclosure described in these Sections 5.9.1 and 5.9.1.1, either party may release the other party's Confidential Information (i) if directed to do so by a court or arbitrator of competent jurisdiction, (ii) pursuant to a lawfully issued subpoena or other lawful document request, (iii) in the case of the State, if the State determines the documents or information are subject to disclosure and Contractor does not exercise its rights as described in Section 5.9.1.1(e), or if Contractor is unsuccessful in defending its rights as described in Section 5.9.1.1(e), or (iv) in the case of Contractor, if Contractor determines the documents or information are subject to disclosure and the State does not exercise its rights described in Section 5.9.1.1(f), or if the State is unsuccessful in defending its rights as described in Section 5.9.1.1(f).

5.9.2 DATA SECURITY STANDARDS

Data Security: The Contractor at a minimum must protect and maintain the security of data traveling its network in accordance with generally accepted industry practices.

- Any Personally Identifiable Information must be protected. All data must be classified in accordance with the State's Asset Classification and Control policy, 08-04-NJOIT (www.nj.gov/it/ps). Additionally, data must be disposed of in accordance with the State's Information Disposal and Media Sanitation policy, 09-10-NJOIT (www.nj.gov/it/ps).
- Data usage, storage, and protection is subject to all applicable federal and state statutory and regulatory requirements, as amended from time to time, including, without limitation, those for Health Insurance Portability and Accountability Act of 1996 (HIPAA), Personally Identifiable Information (PII), Tax Information Security Guidelines for Federal, State, and Local Agencies (IRS Publication 1075), New Jersey State tax confidentiality statute, N.J.S.A. 54:50-8, New Jersey Identity Theft Prevention Act, N.J.S.A. 56:11-44 et. seq., the federal Drivers' Privacy Protection Act of 1994, Pub.L.103-322, and the confidentiality requirements of N.J.S.A. 39:2-3.4. Contractor must also conform to Payment Card Industry (PCI) Data Security Standard.

Data Transmission: The Contractor must only transmit or exchange State of New Jersey data with other parties when expressly requested in writing and permitted by and in accordance with requirements of the State of New Jersey. The Contractor must only transmit or exchange data with the State of New Jersey or other parties through secure means supported by current technologies. The Contractor must encrypt all data defined as personally identifiable or confidential by the State of New Jersey or applicable law, regulation or standard during any transmission or exchange of that data.

Data Storage: All data provided by the State of New Jersey or State data obtained by the Contractor in the performance of the Contract must be stored, processed, and maintained solely in accordance with a project plan and system topology approved by the State Contract Manager. No State data shall be processed on or transferred to any device or storage medium including portable media, smart devices and/or USB devices, unless that device or storage medium has been approved in advance in writing by the State Project Manager. The Contractor must encrypt all data at rest defined as personally identifiable information by the State of New Jersey or applicable law, regulation or standard. The Contractor must not store or transfer State of New Jersey data outside of the United States.

Data Scope: All provisions applicable to State data include data in any form of transmission or storage, including but not limited to: database files, text files, backup files, log files, XML files, and printed copies of the data.

Data Re-Use: All State data must be used expressly and solely for the purposes enumerated in the Contract. Data must not be distributed, repurposed or shared across other applications, environments, or business units of the Contractor. No State data of any kind must be transmitted, exchanged or otherwise passed to other Contractors or interested parties except on a case-by-case basis as specifically agreed to in writing by the State Contract Manager.

Data Breach: Unauthorized Release Notification: The Contractor must comply with all applicable State and Federal laws that require the notification of individuals in the event of unauthorized release of personally identifiable information or other event requiring notification. In the event of a breach of any of the Contractor's security obligations or other event requiring notification under applicable law ("Notification Event"), the Contractor must assume responsibility for informing the State Contract Manager within 24 hours and all such individuals in accordance with applicable law

and to indemnify, hold harmless and defend the State of New Jersey, its officials, and employees from and against any claims, damages, or other harm related to such Notification Event. All communications must be coordinated with the State of New Jersey.

End of Contract Data Handling: Upon termination/expiration of this Contract the Contractor must first return all State data to the State in a usable format as defined in the Contract, or in an open standards machine-readable format if not. The Contractor must then erase, destroy, and render unreadable all Contractor copies of State data according to the standards enumerated in accordance with the State's most recent Information Disposal and Media Sanitation policy, currently 09-10-NJOIT (www.nj.gov/it/ps) and certify in writing that these actions have been completed within thirty (30) days after the termination/expiration of the Contract or within seven (7) days of the request of an agent of the State whichever shall come first.

5.9.3 TAX RETURN DATA SECURITY

A. PERFORMANCE:

1. In performance of this contract, the contractor agrees to comply with and assume responsibility for compliance by his or her employees with the following requirements:
 - a. All work will be done under the supervision of the contractor or the contractor's employees;
 - b. Any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material will be treated as confidential and will not be divulged or made known in any manner to any person except as may be necessary in the performance of this contract. Disclosure to anyone other than an officer or employee of the contractor will be prohibited;
 - c. All returns and return information will be accounted for upon receipt and properly stored before, during, and after processing. In addition, all related output will be given the same level of protection as required for the source material;
 - d. The contractor certifies that the data processed during the performance of this contract will be completely purged from all data storage components of his or her computer facility, and the contractor will retain no output at the time the work is completed. If immediate purging of all data storage components is not possible, the contractor certifies that any I.R.S. data remaining in any storage component will be safeguarded to prevent unauthorized disclosures;
 - e. Any spoilage or any intermediate hard copy printout that may result during the processing of Internal Revenue Service (I.R.S.) data will be given to the agency or his or her designee. When this is not possible, the contractor will be responsible for the destruction of the spoilage or any intermediate hard copy printouts, and will provide the agency or his or her designee with a statement containing the date of destruction, description of material destroyed, and the method used;
 - f. All computer systems receiving, processing, storing, or transmitting federal tax information must meet the requirements defined in I.R.S. Publication 1075. To meet functional and assurance requirements, the security features of the environment must provide for the managerial, operational, and technical controls. All security features must be available and activated to protect against unauthorized use of and access to federal tax information;
 - g. No work involving federal tax information furnished under this contract will be subcontracted without prior written approval of the I.R.S.;
 - h. The contractor will maintain a list of employees authorized access. Such list will be provided to the agency and, upon request, to the I.R.S. reviewing office; and

- i. The agency will have the right to void the contract if the contractor fails to provide the safeguards described above;

B. CRIMINAL/ CIVIL SANCTIONS:

1. Each officer or employee of any person to whom returns or return information is or may be disclosed will be notified in writing by such person that returns or return information disclosed to such officer or employee can be used only for a purpose and to the extent authorized herein, and that further disclosure of any such returns or return information for a purpose or to an extent unauthorized herein constitutes a felony punishable upon conviction by a fine of as much as \$5,000 or imprisonment for as long as 5 years', or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized further disclosure of returns or return information may also result in an award of civil damages against the officer or employee in an amount not less than \$1,000 with respect to each instance of unauthorized disclosure. These penalties are prescribed by Internal Revenue Code (IRC) I.R.C. § 7213 and § 7431 and set forth at 26 C.F.R. § 301.6103(n)-1;
2. Each officer or employee of any person to whom returns or return information is or may be disclosed shall be notified in writing by such person that any return or return information made available in any format shall be used only for the purpose of carrying out the provisions of this contract. Information contained in such material shall be treated as confidential and shall not be divulged or made known in any manner to any person except as may be necessary in the performance of the contract. Inspection by or disclosure to anyone without an official need to know constitutes a criminal misdemeanor punishable upon conviction by a fine of as much as \$1,000 or imprisonment for as long as 1 year, or both, together with the costs of prosecution. Such person shall also notify each such officer and employee that any such unauthorized inspection or disclosure of returns or return information may also result in an award of civil damages against the officer or employee [United States for federal employees] in an amount equal to the sum of the greater of \$1,000 for each act of unauthorized inspection or disclosure with respect to which such defendant is found liable or the sum of the actual damages sustained by the plaintiff as a result of such unauthorized inspection or disclosure plus in the case of a willful inspection or disclosure which is the result of gross negligence, punitive damages, plus the costs of the action. These penalties are prescribed by I.R.C. § 7213A and § 7431;
3. Additionally, it is incumbent upon the contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. § 552a. Specifically, 5 U.S.C. § 552a(i)(1), which is made applicable to contractors by 5 U.S.C. § 552a(m)(1), provides that any officer or employee of a contractor, who by virtue of his/ her employment or official position, has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act or regulations established thereunder, and who knowing that disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than \$5,000; and
4. Granting a contractor access to FTI must be preceded by certifying that each individual understands the agency's security policy and procedures for safeguarding I.R.S. information. Contractors must maintain their authorization to access FTI through annual recertification. The initial certification and recertification must be documented and placed in the agency's files for review. As part of the certification and at least

annually afterwards, contractors should be advised of the provisions of I.R.C. § 7431, § 7213, and § 7213A (see Exhibit 6, I.R.C. § 7431 Civil Damages for Unauthorized Disclosure of Returns and Return Information and Exhibit 5, I.R.C. § 7213 Unauthorized Disclosure of Information). The training provided before the initial certification and annually thereafter must also cover the incident response policy and procedure for reporting unauthorized disclosures and data breaches. (See Section 10) For both the initial certification and the annual certification, the contractor should sign, either with ink or electronic signature, a confidentiality statement certifying their understanding of the security requirements.

C. INSPECTION:

The I.R.S. and the Agency shall have the right to send its officers and employees into the offices and plants of the contractor for inspection of the facilities and operations provided for the performance of any work under this contract. On the basis of such inspection, specific measures may be required in cases where the contractor is found to be noncompliant with contract safeguards.

5.9.4 SECURITY PLAN

The contractor must provide a security plan. The contractor's security plan must, at a minimum, provide security measures as described in Section 3.26.1.

The contractor shall provide a summary overview of the security document and describe how it has been incorporated into a larger security program for automated data processing. In the plan, the contractor shall highlight security features of the system.

In addition, the security plan shall identify and define:

- Regulations and security requirements – how the contractor will address security requirements such as PCI, HIPAA, FISMA and etc.
- System, Administrative and Personnel Security - the security responsibilities of and supervision required for information owned and / or operated by the contractor. Security responsibilities include responsibilities for administration of the infrastructure, implementing or maintaining security and the protection of the confidentiality, integrity, and availability of information systems or processes.
- Workforce Security - the control process for hiring and terminating of contractor's employees, and method used for granting and denying access to the contractor's network, systems and applications. Identify and define audit controls when employment of the employee terminates.
- Role based security access – the products and methods for role based security and access to the contractor's infrastructure and access to the State's infrastructure.
- Account Management – the products and methods for identifying and controlling the account types to meet defined regulation and security requirements.
- Password Management – the appropriate password management controls to meet defined regulation or security requirements.
- Logging / Auditing controls – the contractor's audit control methods and requirements.
- Incident Management – the methods for detecting, reporting and responding to an incident, vulnerabilities and threats.
- Vulnerability / Security Assessment – the products and methods used for scanning contractor's infrastructure for vulnerabilities and remediation of the vulnerabilities.

Identify and define methods used for initiating and completing security assessments.

- Application Security – where the contractor is providing application hosting or development services, the contractor, at a minimum, shall run application vulnerability assessment scans during development and system testing. Vulnerabilities shall be remediated prior to production release.
- Application Partitioning and Single Tenant – where the contractor is providing application hosting or development services, the contractor shall have a separate and unique (single tenant) partition, infrastructure and media.
- Anti-virus / malware controls – the products and methods for anti-virus and malware controls that meet industry standards. It shall include policy statements that require periodic anti-viral software checks of the system to preclude infections and set forth its commitment to periodically upgrade its capability to maintain maximum effectiveness against new strains of software viruses.
- Network Security – where the contractor has access to the State's confidential data, and that data will traverse the contractor's network, the contractor shall maintain the contractor's network security to include, but not be limited to: network firewall provisioning, intrusion detection and prevention, denial of service protection, annual independent and accredited third-party penetration testing, and maintain a hardware inventory including name and network address. The contractor shall maintain network security that conforms to current standards set forth and maintained by the National Institute of Standards and Technology (NIST), including those at: <http://web.nvd.nist.gov/view/ncp/repository>.
- Firewall – the products and methods for firewall control process and intrusion detection methodology.
- Database – the products and methods for safeguarding the database(s).
- Server and infrastructure – the products and methods for "hardening" of the hardware' operating systems.
- Wireless, Remote and Mobile Access – where the contractor has access to the State's confidential data, and that data traverses the contractor's network, the contractor shall have security controls for provisioning accounts, authorization, account/ credential verification, audit/ logging, VPN, and TCP/ UDP ports restrictions.
- Transmission - the products and methods on how its system addresses security measures regarding communication transmission, access and message validation.
- Continuous Monitoring – where the contractor has access to the State's confidential data, and that data will traverse the contractor's network, the contractor shall have products and methods for monitoring malicious activity, malware, intrusions and audit records within the contractor's network.
- Security Audit – the contractor must allow State-assigned staff full access to all operations for security inspections and audits which may include reviews of all issues addressed in description of the security approach and willingness to enter into good faith discussions to implement any changes.
- Change/ Configuration Management and Security Authorization – the contractor has established a change/ configuration methodology, established a baseline configuration, and tracks changes to the configuration. The contractor shall identify and maintain a list of software programs authorized to execute on its system(s). When the contractor has a major change to the system or application, the respective SCM is notified and a security reauthorization must be approved by the respective SCM.
- Risk Management – the contractor has established a risk management plan, approved by the respective SCM at project launch; technical and security risks must be identified, reported, and mitigated according to the plan.

- Confidentiality and Non-Disclosure Agreements – where required, it shall be the contractor's responsibility to have new staff sign the confidentiality agreement and complete the security awareness and confidentiality training modules within one month of the employee's start date.
- Data Integrity – the products and methods on the integrity of all stored data and the electronic images, and the security of all files from unauthorized access. The contractor must be able to provide reports on an as-needed basis on the access or change for any file within the system.

5.10 NEWS RELEASES

The contractor is not permitted to issue news releases pertaining to any aspect of the services being provided under this contract without the prior written consent of the Director.

5.11 ADVERTISING

The contractor shall not use the State's name, logos, images, or any data or results arising from this contract as a part of any commercial advertising without first obtaining the prior written consent of the Director.

5.12 LICENSES AND PERMITS

The contractor shall obtain and maintain in full force and effect all required licenses, permits, and authorizations necessary to perform this contract. The contractor shall supply the State Contract Manager with evidence of all such licenses, permits and authorizations. This evidence shall be submitted subsequent to the contract award. All costs associated with any such licenses, permits and authorizations must be considered by the bidder in its proposal.

5.13 CLAIMS AND REMEDIES

5.13.1 CLAIMS

All claims asserted against the State by the contractor shall be subject to the New Jersey Tort Claims Act, N.J.S.A. 59:1-1, et seq., and/or the New Jersey Contractual Liability Act, N.J.S.A. 59:13-1, et seq.

5.13.2 REMEDIES

Nothing in the contract shall be construed to be a waiver by the State of any warranty, expressed or implied, of any remedy at law or equity, except as specifically and expressly stated in a writing executed by the Director.

5.13.3 REMEDIES FOR FAILURE TO COMPLY WITH MATERIAL CONTRACT REQUIREMENTS

In the event that the contractor fails to comply with any material contract requirements, the Director may take steps to terminate the contract in accordance with the State of NJ Standard Terms and Conditions, authorize the delivery of contract items by any available means, with the difference between the price paid and the defaulting contractor's price either being deducted from any monies due the defaulting contractor or being an obligation owed the State by the defaulting contractor as provided for in the State administrative code, or take any other action or seek any other remedies available at law or in equity.

5.14 LATE DELIVERY

The contractor must immediately advise the State Contract Manager of any circumstance or event that could result in late completion of any task or subtask called for to be completed on a date certain.

Late delivery will harm the State but it is difficult to quantify. If the contractor cannot meet the contract completion date for any task or subtask required to be completed by a date certain, the contractor may be held liable to the State on a per diem basis.

5.14.1 SYSTEM AVAILABILITY PERFORMANCE REQUIREMENTS

Recognizing the critical importance and overall project dependence upon the creation and maintenance of reliable systems and informational technology platform, the State shall reduce the monthly cost of the contract by an appropriate percentage (%) for any services not received, and within the control of the Contractor.

5.14.2 SYSTEM AVAILABILITY DAMAGES

The State will reduce payment to reflect the value of costs of services not received due to a systems failure determined to be within the control of the Contractor, occurring for any three (3) continuous business day period or more.

5.14.3 CALL CENTER PERFORMANCE STANDARDS

The Contractor shall adhere to the following performance standards and service levels to be evaluated on a daily basis:

- Call Center Service Levels shall be maintained at 80% of telephone calls answered within 90 seconds for all calls within the queue;
- Call Center abandonment rates shall not exceed 5% of all calls contained within the queue;
- Call Center average speeds to answer all calls shall not exceed 90 seconds for all calls in the queue;
- Call Center busy rates, on all incoming calls, shall not exceed 5%; and
- Waiting times within the queue shall not exceed 80 seconds.

5.14.4 CALL CENTER SERVICE STANDARDS

The Contractor shall develop a process as a result of real-time, automated monitoring, to measure and correct any deficiencies in Call Center HBC performance. This process shall ensure that operators adhere to and perform in accordance with the following minimum standards. All Call Center HBCs or operators shall:

- Provide courteous, prompt attention to the caller's needs;
- Respect the caller's privacy during all communications and calls;
- Maintain sensitivity to the diversity inherent in all cultures;
- Display and communicate a completely professional demeanor at all times;
- Ensure the dissemination of accurate information to all callers; and
- Ensure the maximum hold time not to exceed 45 seconds after a call has been answered.

The performance standards listed above shall be evaluated on a monthly basis.

5.14.5 CALL CENTER DAMAGES

The State may reduce the monthly cost of the contract by a percentage for each day the Call Center standards are not met. For example, for the service level of 80% of calls answered within 90 seconds, if only 70% of the calls met the standard during any five (5) continuous business day period, a monthly cost reduction for Call Center service damages of 15% would be assessed for a corresponding time period. These performance failures and corresponding damages may reflect failed emergency communications from beneficiaries, enrollment delays and difficulties caused beneficiaries, receipt of beneficiary complaints, and a negative image to the State, the DHS and DMAHS.

5.14.6 DAMAGES – ELIGIBILITY DETERMINATIONS

The Contractor shall be responsible for producing timely and accurate eligibility determinations. Damages shall be assessed if either the eligibility determinations are not timely or the enrollment transactions contain an error as defined within the scope of work. Since achieving successful and correct managed care enrollment of NJ FamilyCare/Medicaid beneficiaries is dependent upon the correct and timely determination of beneficiary eligibility, the production objective and rational for eligibility processing shall be subject to the following schedule of performance levels:

Error Rate	Applicable Percentage of Monthly Payment
0% - 4.99%	100%
5% - 9.99%	95%
10% - 14.00%	90%
15% - 19.99%	85%
20% - 24.99%	80%
25% - 29.99	75%
30% - 34.99%	70%
35% - 39.99%	65%
40% - 44.99%	60%
45% - 49.99%	55%
50% - 54.99%	50%
55% - 59.99%	45%
60% - 64.99%	40%
65% - 69.99%	35%
70% - 74.99%	30%
75% - 79.99%	25%
80% - 84.99%	20%
85% - 89.99%	15%
90% - 94.99%	10%
95% - 99.99%	5%
100%	0%

5.14.7 TIMELINESS AND ACCURACY OF ENROLLMENT PROCESSING

All enrollments in an MCO become effective on the first of each month. To allow for all parties to be properly notified, all error-free enrollment transactions must be processed and ready for transmittal to the MCO and to the DMAHS by the 15th of the preceding month. The Contractor is expected to meet this critical target each month. Therefore, it is required that all completed applications received by the 13th of the month are input by the 15th of the month.

All enrollment transactions suspended for any reason must be resolved within thirty (30) calendar days from the original suspend date, unless DMAHS provides written approval for specific

enrollments or classes of enrollments exceeding the thirty (30) day limit at the sole discretion of the DMAHS.

All enrollment transactions and adjustments made by the Contractor must be made on behalf of eligible clients, to eligible managed care providers for covered enrollment periods, and in accordance with the eligibility rules and other policies of the State of New Jersey. Ninety-five percent (95%) of all enrollments must be processed accurately according to the eligibility rules and policies of the State of New Jersey.

5.14.8 DAMAGES – ENROLLMENT TRANSACTIONS

The Contractor is responsible for producing timely and accurate enrollment transactions. Damages shall be assessed if either the enrollment is not timely or the enrollment transaction contains an error, according to the directions defined above. Since achieving successful and correct enrollment of NJ FamilyCare/Medicaid beneficiaries into MCOs are the program’s productional objective and rationale for the importance of performance goals, the following schedule of performance levels and damages shall be applied

Error Rate	Applicable Percentage of Monthly Payment
0% - 4.99%	100%
5% - 9.99%	95%
10% - 14.00%	90%
15% - 19.99%	85%
20% - 24.99%	80%
25% - 29.99	75%
30% - 34.99%	70%
35% - 39.99%	65%
40% - 44.99%	60%
45% - 49.99%	55%
50% - 54.99%	50%
55% - 59.99%	45%
60% - 64.99%	40%
65% - 69.99%	35%
70% - 74.99%	30%
75% - 79.99%	25%
80% - 84.99%	20%
85% - 89.99%	15%
90% - 94.99%	10%
95% - 99.99%	5%
100%	0%

5.14.9 PROGRAM ENROLLMENTS IN ERROR

Where, due to errors or failures by the Contractor to appropriately adhere to the practices and procedures mandated for the enrollment of individuals into the NJ FamilyCare/Medicaid or Premium Support Programs, individuals are wrongfully enrolled into MCOs, damages shall be assessed in accordance with losses incurred by the State in paying capitation, and other charges or fees, associated with the provision of health benefits and services rendered ineligible individuals.

5.15.10 DUPLICATE ENROLLMENTS

Where, due to errors or failures by the Contractor to appropriately adhere to the practices and procedures mandated for the enrollment of individuals into the NJ FamilyCare/Medicaid or Premium Support Programs, individuals are enrolled twice into MCOs, resulting in duplicate enrollments, damages shall be assessed in accordance with losses incurred by the State in paying capitation, and other charges or fees, associated with the provision of health benefits and services rendered ineligible individuals.

5.14.11 FAILED ENROLLMENTS

Where, due to errors or failures by the Contractor to appropriately adhere to the practices and procedures mandated for the enrollment of individuals into the NJ FamilyCare/Medicaid or Premium Support Programs, individuals fail to be enrolled who are otherwise warranted enrollment, in accordance with operational processing time frames and requirements specified within this RFP, damages shall be assessed for emergency or other health care expenditures assumed by the State through the Medicaid Fee-for-Service NJ FamilyCare/Medicaid programs.

5.14.12 OPERATIONAL START DATE

It is the State's intent to have the new Contractor operational within four (4) months of the actual contract effective date. Operational means to begin enrollment in approved MCOs under contract with the NJ FamilyCare/Medicaid program, maintaining all system files, producing all required reports, and performing all other Contractor responsibilities specified in this RFP. Compliance with this key date is critical to the State's interest. Therefore, the Contractor shall be responsible for the differences in any costs absorbed by the State as set forth below in Section 5.15.14 if this date is not met, except for delays caused solely by the State.

5.14.13 DAMAGES

If the Contractor does not fully meet the operational start date and a contract modification or amendment delaying this key date or a portion of the processing requirements has not been approved, the Contractor shall be liable for the differences in any per diem costs incurred by the State to maintain the Contractor currently acting as the HBC or, in the absence of an external vendor acting as the HBC, the per diem cost incurred directly by the State for performing all tasks, functions and/or other operational needs required to maintain all roles of the HBC.

5.14.14 FAILURE TO MEET TRANSITION REQUIREMENTS

The purpose of these damages is to ensure adherence to the performance requirements in the contract. It is agreed by the State and the Contractor that in the event of a failure to meet the performance requirements as listed within this RFP and the contract resulting from this RFP, damage shall be sustained by the State. Damages applied shall be the difference in per diem costs incurred directly by the State in maintaining the current HBC Contractor in order to assure the continued performance of all tasks, functions, and other operational needs required in maintaining the needs of the NJ FamilyCare/Medicaid and Premium Support Programs. Upon the completion of the transition period, the normal operational performance standards shall apply.

The State Contract Manager will notify the Contractor in writing of each failure to meet a performance requirement. Unless otherwise specified, the Contractor shall have five (5) business days from the date of receipt of written notification to cure the failure. However, the State Contract Manager may approve additional days as deemed necessary if the cure cannot be performed within five (5) business days.

5.14.15 MAINTENANCE OF THE FEDERAL WAIVER AND STATE PLANS

The Contractor shall be liable for actual damages that would cause the State to lose its federal waiver for the MCO or State Plan or legislation, because of substandard performance or non-performance of the tasks performed under this contract. The Contractor shall ensure that all federal and State requirements continue to be met and shall also ensure that future federal and State requirements are maintained. Should the State sustain actual damages due to performance prior to contract termination or the ending date of any subsequent contract extensions, the Contractor shall be liable for actual damages. The Contractor shall be liable for actual damages during performance of the contract.

5.15 RETAINAGE

The amount of retainage is noted on the RFP signatory page accompanying this RFP. The using agency shall retain the stated percentage of each invoice submitted. At the end of each three (3) month period, the using agency shall review the contractor's performance. If performance has been satisfactory, the Using Agency shall release ninety percent (90%) of the retainage for the preceding three (3) month period. Following certification by the State Contract Manager that all services have been satisfactorily performed the balance of the retainage shall be released to the contractor.

5.16 ADDITIONAL WORK AND/ OR SPECIAL PROJECTS

The contractor shall not begin performing any additional work or special projects without first obtaining written approval from both the State Contract Manager and the Director.

In the event of additional work and/or special projects, the contractor must present a written proposal to perform the additional work to the State Contract Manager. The proposal should provide justification for the necessity of the additional work. The relationship between the additional work and the base contract work must be clearly established by the contractor in its proposal.

The contractor's written proposal must provide a detailed description of the work to be performed broken down by task and subtask. The proposal should also contain details on the level of effort, including hours, labor categories, etc., necessary to complete the additional work.

The written proposal must detail the cost necessary to complete the additional work in a manner consistent with the contract. The written price schedule must be based upon the hourly rates, unit costs or other cost elements submitted by the contractor in the contractor's original proposal submitted in response to this RFP. Whenever possible, the price schedule should be a firm, fixed price to perform the required work. The firm fixed price should specifically reference and be tied directly to costs submitted by the contractor in its original proposal. A payment schedule, tied to successful completion of tasks and subtasks, must be included.

Upon receipt and approval of the contractor's written proposal, the State Contract Manager shall forward same to the Director for the Director's written approval. Complete documentation from the Using Agency, confirming the need for the additional work, must be submitted. Documentation forwarded by the State Contract Manager to the Director must include all other required State approvals, such as those that may be required from the State of New Jersey's Office of Management and Budget and NJOIT.

No additional work and/or special project may commence without the Director's written approval. In the event the contractor proceeds with additional work and/or special projects without the

Director's written approval, it shall be at the contractor's sole risk. The State shall be under no obligation to pay for work performed without the Director's written approval.

5.17 MODIFICATIONS AND CHANGES TO THE STATE OF NJ STANDARD TERMS AND CONDITIONS

5.17.1 INDEMNIFICATION

Section 4.1 of the State of NJ Standard Terms and Conditions is supplemented with the following:

4.1 Indemnification

The contractor's liability to the State for actual, direct damages resulting from the contractor's performance or non-performance, or in any manner related to the contract, for any and all claims, shall be limited in the aggregate to five-hundred percent (500%) of the value of the contract, except that such limitation of liability shall not apply to the following:

1. The contractor's obligation to indemnify the State of New Jersey and its employees from and against any claim, demand, loss, damage or expense relating to bodily injury or the death of any person or damage to real property or tangible personal property, incurred from the work or materials supplied by the contractor under the contract caused by negligence or willful misconduct of the contractor;
2. The contractor's breach of its obligations of confidentiality; and,
3. Contractor's liability with respect to copyright indemnification.

The contractor's indemnification obligation is not limited by but is in addition to the insurance obligations contained in Section 4.2 of the State of NJ Standard Terms and Conditions.

The contractor shall not be liable for special, consequential, or incidental damages.

5.17.2 INSURANCE - PROFESSIONAL LIABILITY INSURANCE

Section 4.2 of the State of NJ Standard Terms and Conditions regarding insurance is modified with the addition of the following section regarding Professional Liability Insurance.

d. Professional Liability Insurance: The contractor shall carry Errors and Omissions, Professional Liability Insurance and/ or Professional Liability Malpractice Insurance sufficient to protect the contractor from any liability arising out the professional obligations performed pursuant to the requirements of the contract. The insurance shall be in the amount of not less than \$5,000,000 and in such policy forms as shall be approved by the State. If the Contractor has claims-made coverage and subsequently changes carriers during the term of the contract, it shall obtain from its new Errors and Omissions, Professional Liability Insurance and/ or Professional Malpractice Insurance carrier an endorsement for retroactive coverage.

5.18 ACCESSIBILITY COMPLIANCE

The Contractor shall abide by the State's website standards and guidelines which include the mandatory accessibility information for Section 508 and Chapter 191 compliance for any web based systems. The standards can be located at the following links:

- http://nj.gov/it/ps/07-12-NJOIT_web_accessibility_policy.pdf; and
- http://www.state.nj.us/it/ps/Web_Site_Standards_Guidelines.pdf.

5.19 CONTRACT ACTIVITY REPORT

Contractor(s) must provide, on a calendar quarter basis, to the assigned Division representative, a record of all purchases made under the contract resulting from this RFP. This reporting requirement includes sales to State using agencies, political sub-divisions thereof and, if permitted under the terms of the contract, sales to counties, municipalities, school districts, volunteer fire departments, first aid squads and rescue squads, independent institutions of higher education, state and county colleges and quasi-State agencies. Quasi-State agencies include any agency, commission, board, authority or other such governmental entity which is established and is allocated to a State department or any bi-state governmental entity of which the State of New Jersey is a member.

This information must be provided in a tabular format such that an analysis can be made to determine the following:

- Contractor's total sales volume to each purchaser under the contract, subtotaled by product, including, if applicable, catalog number and description, price list with appropriate page reference and/or contract discount applied; and
- Total dollars paid to Subcontractors.

Submission of purchase orders, confirmations, and/or invoices do not fulfill this contract requirement for information. Failure to report this mandated information may be a factor in future award decisions.

Contractors must submit the required information in Microsoft Excel format.

5.20 ELECTRONIC PAYMENTS

With the award of this contract, the successful vendor(s) will be required to receive their payment(s) electronically. In order to receive your payments via automatic deposit from the State of New Jersey, complete and return the "Credit Authorization Agreement for Automatic Deposits (ACH Credits)" Form with an **original voided check or bank letter**. The form must include ABA number (routing or transit number), bank account number and if the bank account is a checking or savings account. The form and instructions are located on the Office of Management & Budget's website at: <http://www.state.nj.us/treasury/omb/forms/index.shtml>. The completed form along with the required voided check or bank letter should be mailed or faxed to: Department of the Treasury, Office of Management and Budget, PO Box 221, 6TH Floor – Room 674, Trenton, N.J. 08625-0221; fax: (609)-984-5210. To assist in identifying payments, the State offers vendors access to the Vendor Payment Inquiry web application (VPI) which offers check stub information online. Contact the State of New Jersey at AAIUNIT@treas.state.nj.us to request access to this application.

5.21 PROGRAM EFFICIENCY ASSESSMENT

The State Using Agencies shall be charged an assessment equal to one-quarter of one percent (0.25%) of the value of all transactions under this contract. This assessment is authorized by N.J.S.A. 52:27B-56 and N.J.A.C. 17:12-1.5, to maintain the State's procurement system at a level to meet industry standards of efficiency.

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6.0 PROPOSAL EVALUATION

6.1 RIGHT TO WAIVE

The Director reserves the right to waive minor irregularities. The Director also reserves the right to waive a requirement provided that:

- (1) the requirement is not mandated by law;
- (2) all of the otherwise responsive proposals failed to meet the requirement; and
- (3) in the sole discretion of the Director, the failure to comply with the requirement does not materially affect the procurement or the State's interests associated with the procurement.

6.2 DIRECTOR'S RIGHT OF FINAL PROPOSAL ACCEPTANCE

The Director reserves the right to reject any or all proposals, or to award in whole or in part if deemed to be in the best interest of the State to do so. The Director shall have authority to award orders or contracts to the vendor or vendors best meeting all specifications and conditions in accordance with N.J.S.A. 52:34-12. Tie proposals will be awarded by the Director in accordance with N.J.A.C.17:12-2.10.

6.3 STATE'S RIGHT TO INSPECT BIDDER'S FACILITIES

The State reserves the right to inspect the bidder's establishment before making an award, for the purposes of ascertaining whether the bidder has the necessary facilities for performing the contract.

The State may also consult with clients of the bidder during the evaluation of bids. Such consultation is intended to assist the State in making a contract award which is most advantageous to the State.

6.4 STATE'S RIGHT TO REQUEST FURTHER INFORMATION

The Director reserves the right to request all information which may assist him or her in making a contract award, including factors necessary to evaluate the bidder's financial capabilities to perform the contract. Further, the Director reserves the right to request a bidder to explain, in detail, how the proposal price was determined.

6.5 PROPOSAL EVALUATION COMMITTEE

Proposals may be evaluated by an Evaluation Committee composed of members of affected departments and agencies together with representative(s) from the Division. Representatives from other governmental agencies may also serve on the Evaluation Committee. On occasion, the Evaluation Committee may choose to make use of the expertise of outside consultant(s) in an advisory role.

6.6 ORAL PRESENTATION AND/OR CLARIFICATION OF PROPOSAL

After the submission of proposals, unless requested by the State as noted below, vendor contact with the State is still not permitted.

After the proposals are reviewed, one, some or all of the bidders may be asked to clarify certain aspects of their proposals. A request for clarification may be made in order to resolve minor ambiguities, irregularities, informalities or clerical errors. Clarifications cannot correct any deficiencies or material omissions or revise or modify a proposal, except to the extent that correction of apparent clerical mistakes results in a modification.

The bidder may be required to give an oral presentation to the State concerning its proposal.

Bidders may not attend the oral presentations of their competitors.

It is within the State's discretion whether to require the bidder to give an oral presentation or require the bidder to submit written responses to questions regarding its proposal. Action by the State in this regard should not be construed to imply acceptance or rejection of a proposal. The Division will be the sole point of contact regarding any request for an oral presentation or clarification.

6.7 EVALUATION CRITERIA

The following evaluation criteria categories, not necessarily listed in order of significance, will be used to evaluate proposals received in response to this RFP. The evaluation criteria categories may be used to develop more detailed evaluation criteria to be used in the evaluation process:

6.7.1 TECHNICAL EVALUATION CRITERIA

- a. Personnel: The qualifications and experience of the bidder's management, supervisory, and key personnel assigned to the contract, including the candidates recommended for each of the positions/roles required.
- b. Experience of firm: The bidder's documented experience in successfully completing contracts of a similar size and scope in relation to the work required by this RFP.
- c. Ability of firm to complete the Scope of Work based on its Technical Proposal: The bidder's demonstration in the proposal that the bidder understands the requirements of the Scope of Work and presents an approach that would permit successful performance of the technical requirements of the contract.

6.7.2 BIDDER'S PRICE SCHEDULE

For evaluation purposes, bidders will be ranked from lowest to highest according to the total proposal price located on the Price Sheet/ Schedule accompanying this RFP.

6.7.3 PROPOSAL DISCREPANCIES

In evaluating proposals, discrepancies between words and figures will be resolved in favor of words. Discrepancies between unit prices and totals of unit prices will be resolved in favor of unit prices. Discrepancies in the multiplication of units of work and unit prices will be resolved in favor of the unit prices. Discrepancies between the indicated total of multiplied unit prices and units of work and the actual total will be resolved in favor of the actual total. Discrepancies

between the indicated sum of any column of figures and the correct sum thereof will be resolved in favor of the correct sum of the column of figures.

6.7.4 EVALUATION OF THE PROPOSALS

After the Evaluation Committee completes its evaluation, it recommends to the Director for award the responsible bidder(s) whose proposal, conforming to this RFP, is most advantageous to the State, price and other factors considered. The Evaluation Committee considers and assesses price, technical criteria, and other factors during the evaluation process and makes a recommendation to the Director. The Director may accept, reject or modify the recommendation of the Evaluation Committee. Whether or not there has been a negotiation process as outlined in Section 6.8 below, the Director reserves the right to negotiate price reductions with the selected bidder.

6.8 NEGOTIATION AND BEST AND FINAL OFFER (BAFO)

After evaluating proposals, the Division may establish a competitive range. The Division may also enter into negotiations with one bidder or multiple bidders. The primary purpose of negotiations is to maximize the State's ability to obtain the best value based on the mandatory requirements, evaluation criteria, and cost. Multiple rounds of negotiations may be conducted with one bidder or multiple bidders. Negotiations will be structured by the Division to safeguard information and ensure that all bidders are treated fairly.

Similarly, the Division may invite one bidder or multiple bidders to submit a best and final offer (BAFO). Said invitation will establish the time and place for submission of the BAFO. Any BAFO that is not equal to or lower in price than the pricing offered in the bidder's original proposal will be rejected as non-responsive and the State will revert to consideration and evaluation of the bidder's original pricing.

If required, after review of the BAFO(s), clarification may be sought from the bidder(s). The Division may conduct more than one round of negotiation and/or BAFO in order to attain the best value for the State.

After evaluation of proposals and as applicable, negotiation(s) and/or BAFO(s), the Division will recommend, to the Director, the responsible bidder(s) whose proposal(s), conforming to the RFP, is/are most advantageous to the State, price and other factors considered. The Director may accept, reject or modify the recommendation of the Division. The Director may initiate additional negotiation or BAFO procedures with the selected bidder(s).

Negotiations will be conducted only in those circumstances where they are deemed by the Division or Director to be in the State's best interests and to maximize the State's ability to get the best value. Therefore, the bidder is advised to submit its best technical and price proposal in response to this RFP since the State may, after evaluation, make a contract award based on the content of the initial submission, without further negotiation and/or BAFO with any bidder.

All contacts, records of initial evaluations, any correspondence with bidders related to any request for clarification, negotiation or BAFO, any revised technical and/or price proposals, the Evaluation Committee Report and the Award Recommendation, will remain confidential until a Notice of Intent to Award a contract is issued.

NOTE: If the Division contemplates negotiation, proposal prices will not be publicly read at the proposal submission opening. Only the name and address of each bidder will be publicly announced at the proposal submission opening.

6.9 COMPLAINTS

A bidder with a history of performance problems as demonstrated by formal complaints and/or contract cancellations for cause pursuant to Section 5.7.b of the State of NJ Standard Terms and Conditions accompanying this RFP may be bypassed for an award issued as a result of this RFP.

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7.0 CONTRACT AWARD

7.1 DOCUMENTS REQUIRED BEFORE CONTRACT AWARD

7.1.1 REQUIREMENTS OF PUBLIC LAW 2005, CHAPTER 51, N.J.S.A. 19:44A-20.13 - N.J.S.A. 19:44A-20.25 (FORMERLY EXECUTIVE ORDER NO. 134) AND EXECUTIVE ORDER NO. 117 (2008)

a) The State shall not enter into a contract to procure from any Business Entity services or any material, supplies or equipment, or to acquire, sell or lease any land or building, where the value of the transaction exceeds \$17,500, if that Business Entity has solicited or made any contribution of money, or pledge of contribution, including in-kind contributions, to a candidate committee and/or election fund of any candidate for or holder of the public office of Governor or Lieutenant Governor, to any State, county, municipal political party committee, or to any legislative leadership committee during certain specified time periods

b) Prior to awarding any contract or agreement to any Business Entity, the Business Entity proposed as the intended awardee of the contract shall submit the Certification and Disclosure form, certifying that no contributions prohibited by either Chapter 51 or Executive Order No. 117 have been made by the Business Entity and reporting all contributions the Business Entity made during the preceding four years to any political organization organized under 26 U.S.C.527 of the Internal Revenue Code that also meets the definition of a "continuing political committee" within the means of N.J.S.A. 19:44A-3(n) and N.J.A.C. 19:25-1.7. The required form and instructions, available for review on the Division's website at <http://www.state.nj.us/treasury/purchase/forms.shtml#eo134>, shall be provided to the intended awardee for completion and submission to the Division with the Notice of Intent to Award. Upon receipt of a Notice of Intent to Award a Contract, the intended awardee shall submit to the Division, in care of the Division Procurement Specialist, the Certification and Disclosure(s) within five (5) business days of the State's request. Failure to submit the required forms will preclude award of a contract under this RFP, as well as future contract opportunities.

c) Further, the Contractor is required, on a continuing basis, to report any contributions it makes during the term of the contract, and any extension(s) thereof, at the time any such contribution is made. The required form and instructions, available for review on the Division's website at <http://www.state.nj.us/treasury/purchase/forms.shtml#eo134>, shall be provided to the intended awardee with the Notice of Intent to Award.

7.1.2 SOURCE DISCLOSURE REQUIREMENTS

Pursuant to N.J.S.A. 52:34-13.2, all contracts primarily for services awarded by the Director shall be performed within the United States, except when the Director certifies in writing a finding that a required service cannot be provided by a contractor or subcontractor within the United States and the certification is approved by the State Treasurer. Also refer to Section 3.6 Service Performance Within U.S. of the State of NJ Standard Terms and Conditions.

Pursuant to the statutory requirements, the intended awardee of a contract primarily for services with the State of New Jersey must disclose the location by country where services under the contract, including subcontracted services, will be performed. The Source Disclosure Certification form accompanies the subject RFP. FAILURE TO SUBMIT SOURCING INFORMATION WHEN REQUESTED BY THE STATE SHALL PRECLUDE AWARD OF A CONTRACT TO THE BIDDER.

If any of the services cannot be performed within the United States, the bidder shall state with specificity the reasons why the services cannot be so performed. The Director shall determine whether sufficient justification has been provided by the bidder to form the basis of his or her

certification that the services cannot be performed in the United States and whether to seek the approval of the Treasurer.

7.1.2.1 BREACH OF CONTRACT

A SHIFT TO PROVISION OF SERVICES OUTSIDE THE UNITED STATES DURING THE TERM OF THE CONTRACT SHALL BE DEEMED A BREACH OF CONTRACT. If, during the term of the contract, the contractor or subcontractor, who had on contract award declared that services would be performed in the United States, proceeds to shift the performance of any of the services outside the United States, the contractor shall be deemed to be in breach of its contract. Such contract shall be subject to termination for cause pursuant to Section 5.7b.1 of the State of NJ Standard Terms and Conditions, unless such shift in performance was previously approved by the Director and the Treasurer.

7.1.3 AFFIRMATIVE ACTION

The intended awardee must submit a copy of a New Jersey Certificate of Employee Information Report, or a copy of Federal Letter of Approval verifying it is operating under a federally approved or sanctioned Affirmative Action program. Intended awardee(s) not in possession of either a New Jersey Certificate of Employee Information Report or a Federal Letter of Approval must complete the Affirmative Action Employee Information Report (AA-302) located on the web at http://www.nj.gov/treasury/purchase/forms/AA_%20Supplement.pdf.

7.1.4 BUSINESS REGISTRATION

In accordance with N.J.S.A. 52:32-44(b), a bidder and its named subcontractors must have a valid Business Registration Certificate ("BRC") issued by the Department of Treasury, Division of Revenue and Enterprise Services prior to the award of a contract. (Refer to Section 4.4.2.1 of this RFP for further information.)

7.2 FINAL CONTRACT AWARD

Contract award[s] shall be made with reasonable promptness by written notice to that responsible bidder(s), whose proposal(s), conforming to this RFP, is(are) most advantageous to the State, price, and other factors considered. Any or all proposals may be rejected when the State Treasurer or the Director determines that it is in the public interest to do so.

7.3 INSURANCE CERTIFICATES

The contractor shall provide the State with current certificates of insurance for all coverages required by the terms of this contract, naming the State as an Additional Insured. Refer to Section 4.2 of the State of NJ Standard Terms and Conditions accompanying this RFP.

7.4 PERFORMANCE SECURITY

Not applicable to this procurement.

8.0 CONTRACT ADMINISTRATION

8.1 CONTRACT MANAGER

The State Contract Manager is the State employee responsible for the overall management and administration of the contract.

The State Contract Manager for this project will be identified at the time of execution of contract. At that time, the contractor will be provided with the State Contract Manager's name, department, division, agency, address, telephone number, fax phone number, and e-mail address.

8.1.1 STATE CONTRACT MANAGER RESPONSIBILITIES

For an agency contract where only one State office uses the contract, the State Contract Manager will be responsible for engaging the contractor, assuring that Purchase Orders are issued to the contractor, directing the contractor to perform the work of the contract, approving the deliverables and approving payment vouchers. The State Contract Manager is the person that the contractor will contact **after the contract is executed** for answers to any questions and concerns about any aspect of the contract. The State Contract Manager is responsible for coordinating the use of the Contract and resolving minor disputes between the contractor and any component part of the State Contract Manager's Department.

If the contract has multiple users, then the State Contract Manager shall be the central coordinator of the use of the contract for all Using Agencies, while other State employees engage and pay the contractor. All persons and agencies that use the contract must notify and coordinate the use of the contract with the State Contract Manager.

8.1.2 COORDINATION WITH THE STATE CONTRACT MANAGER

Any contract user that is unable to resolve disputes with a contractor shall refer those disputes to the State Contract Manager for resolution. Any questions related to performance of the work of the contract by contract users shall be directed to the State Contract Manager. The contractor may contact the State Contract Manager if the contractor cannot resolve a dispute with contract users.