



# Request for Proposal 06-X-37739

**For:** Actuarial Services: For Insurance Programs in DOBI

Event	Date	Time
<b>Bidder's Electronic Question Due Date</b> (Refer to <a href="#">RFP Section 1.3.1</a> for more information.)	09/06/2005	05:00 P.M.
<b>Mandatory Pre-bid Conference</b> (Refer to <a href="#">RFP Section 1.3.3</a> for important details about the new electronic bid option.)	Not Applicable	
<b>Mandatory Site Visit</b> (Refer to <a href="#">RFP Section 1.3.2</a> for more information.)	Not Applicable	
<b>Bid Submission Due Date</b> (Refer to <a href="#">RFP Section 1.3.5</a> for more information.)	09/28/2005	02:00 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.

<b>Set-Aside</b> <b>Small Business</b> (Refer to <a href="#">RFP Section 4.4.1.8</a> for more information.)	<b>Status</b> <input checked="" type="checkbox"/> Not Applicable <input type="checkbox"/> Entire Contract <input type="checkbox"/> Sub Contracting Only	<b>Category</b> <input type="checkbox"/> I <input type="checkbox"/> II <input type="checkbox"/> III
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RFP Issued By

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

Using Agency/Agencies

State of New Jersey  
Department of Banking and Insurance  
Division of Insurance  
Office of Life and Health Insurance and  
Office of Property and Casualty Insurance

Date: 08/22/05

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## 1.0 INFORMATION FOR BIDDERS

### 1.1 PURPOSE AND INTENT

This Request for Proposal (RFP) is issued by the Purchase Bureau, Division of Purchase and Property, Department of the Treasury (the "Division"), on behalf of the State of New Jersey, Department of Banking and Insurance.

The purpose of this RFP is to solicit bid proposals to engage a contractor to perform actuarial services for two (2) insurance offices within the NJ Department of Banking and Insurance (DOBI). It is also the purpose of this RFP to obtain actuarial services, based on the collection and analysis of utilization and cost data relevant to the financial, social and/or medical impact assessments of legislatively proposed mandated health benefits, for the Mandated Health Benefits Advisory Commission.

The offices in the DOBI are the Property and Casualty (P&C) Insurance Office and the Life and Health (L&H) Insurance Office. It is the intent of this RFP to engage actuarial contractors to review documents submitted to these two insurance offices from insurers. It is also the intent of this RFP for the awarded contractors to perform related special projects and to participate in working groups to analyze data.

The P&C and L&H contractors will review all documents from an actuarial basis and not for any other purpose. Therefore, it is the intent of this RFP for the P&C and L&H contractor to review only the actuarially related components of laws, regulations, policies, rates, filings, insurance coverage, forms, loadings, excess profits, licensure applications, accounts, claim payments, reserves, liabilities, reinsurance, and any other work item specified herein.

For the Mandatory Health Benefits Advisory Commission (MHBAC), it is the intent of this RFP to engage contractors to perform actuarial reviews on proposed legislation that mandate that insurers provide new or additional health insurance coverage. The contractors may also advise the MHBAC on the social impacts, financial impacts, and/or medical efficacy, from an actuarial perspective, related to the new coverage or proposed legislation and produce reports that may attempt to balance the financial, social, and medical impacts, within a period of time not to exceed 45 days from the date of the engagement. Therefore, the MHBAC contractor may provide a mix of actuarial staff capable of performing social, financial and medical actuarial reviews. The contractor will not provide attorneys, medical professionals, social scientists, accountants or any other type of professional staff.

Contracts will be awarded to all responsive bidders in each of the three categories of work (L&H, P&C and MHBAC). Bidders may bid on any one (1) category, any two (2) categories or all three (3) categories. For any engagement, contractors in the affected category will be asked if they have a conflict with any related insurer, legislator, or other interested party. All contractors in the affected category that do not have a conflict will then be asked to propose a fixed total number of hours to perform the work of the engagement. The engagement will be issued to the contractor whose total engagement price (hours multiplied by the contract's hourly rates) is the lowest for that engagement and who can complete the engagement within the specified timeframes.

DOBI determined there was a need to award contracts to all responsive bidders because there are relatively few actuaries that specialize in the analysis specified in this RFP. Further, these actuaries are frequently hired by the insurance companies themselves and DOBI expects a large number of conflicts for each engagement that will restrict the actual number of qualified contractors that will be eligible to perform an engagement. The limited number of actuarial firms plus the high probability of conflicts of interest dictate the contract award and engagement process noted above.

The expected services are described in [RFP Section 3.0](#) (Scope of Work).

The intent of this RFP is to award a contract to those responsible bidders whose bid proposal, conforming to this RFP and meeting the minimum qualifications specified herein, are most advantageous to the State, price and other factors considered.

The NJ Standard Terms and Conditions, located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml> 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 same unless the RFP specifically indicates otherwise.

## 1.2 BACKGROUND

### 1.2.1 REPLACEMENT OF EXISTING CONTRACT

The P&C and L&H insurance Offices in DOBI have been using and continue to need the services of actuarial contractors to assist in the review of submissions from insurers. In some cases, contractors are needed to relieve excessive work loads in the P&C and L&H Insurance Offices. However, in most instances, contractors are needed to supply special actuarial expertise that is not available within the P&C and L&H Insurance Offices.

This RFP is designed to replace an existing contract entitled Actuarial Services for DOBI for Actuary Services, T-1812. A copy of the notice of award can be found at:

<http://www.state.nj.us/treasury/purchase/noa/contracts/t1812.shtml>

### 1.2.2 MANDATED HEALTH BENEFITS ADVISORY COMMISSION

The MHBAC has the duty to review any bill introduced in either house of the legislature that would require an insurer to provide a mandated health benefit within a time period not to exceed 60 days. At the conclusion of that review, the MHBAC must prepare a written report that assesses the social and financial effects of the proposed medical benefit as well as the medical efficacy of the proposed benefit. The MHBAC component of the RFP is a new procurement. No prior actuarial service contract exists for the performance of MHBAC actuarial services specified in this RFP.

The MHBAC is administratively supported by the L&H Insurance Office, which assists the MHBAC in exercising its responsibilities. Those responsibilities include collecting utilization and cost data needed to assess proposed mandated health benefits, developing criteria to evaluate the impact of proposed mandated health benefits, determining the impact of the proposed health benefits on the cost to employers and insurers, determining the impact of proposed health benefits on the general population, determining the impact of proposed health benefits on the general health care system, determining the breadth of the impact of mandated health benefits on providers and determining the impact on any other components of the healthcare system as may be appropriate. The L&H Insurance Office on behalf of and in support of the MHBAC also reviews and provides comments to State departments, boards, bureaus, commissions and agencies with respect to any order or regulation proposed or implemented that affect mandated health benefits.

### 1.2.3 PROPERTY AND CASUALTY INSURANCE OFFICE

The P&C Insurance Office regulates all personal property and casualty insurance, most commercial property and casualty insurance, as well as title insurance sold in the State. The P&C Insurance Office approves or denies submissions from the insurers in accordance with State insurance laws and regulations. Further, P&C Insurance Office reviews the insurers' rates, rules, forms, excess profit filings and loss cost and worker compensation submissions.

#### 1.2.3.1 RATE REVIEW

The P&C Insurance Office reviews the rates that insurers submit for approval to ensure the rates are reasonable and not excessive, inadequate, or unfairly discriminatory. The contractors assist the P&C Insurance Office in this determination. Contractors are often needed when the issues in a filing indicate that a public hearing, a significant time commitment or expert testimony is needed.

#### 1.2.3.2 COVERAGE AND POLICY FORM REVIEW

The P&C Insurance Office regulates all property and casualty coverage and policy forms. Insurers must submit coverage rules and forms to the P&C Insurance Office for approval. Contractors assist the P&C Insurance Office in these reviews.

#### 1.2.3.3 EXCESS PROFIT REVIEW

All private passenger automobile insurers, (with some exceptions) annually file an excess profit report with the P&C Insurance Office for review to determine if the filer is in compliance with New Jersey's excess profit rules (N.J.S.A. 17:29A-5.7 et seq.) and regulations (N.J.A.C. 11:3-20.1 et seq.). Contractors assist the P&C Insurance Office in the excess profit review.

#### **1.2.3.4 WORKER COMPENSATION AND LOSS COST REVIEW**

The P&C Insurance Office reviews the rate filings submitted by the Workers Compensation Rating Bureau and the loss cost filings submitted by the Loss Cost Advisory Organizations as established by statute (N.J.S.A. 17:29A-1 et seq., N.J.S.A. 34:15-89 et seq.) and guidelines specified by regulation (N.J.A.C. 11:1-2.1 et seq.). Contractors assist the P&C Insurance Office in these reviews.

#### **1.2.3.5 REVIEW OF STATUTES AND REGULATIONS**

The P&C Insurance Office reviews reforms of New Jersey's property and casualty statutes and regulations. Review of statute and regulation reforms includes, but is not limited to, assessing the effect of changes on insurance rates; assessing the implications of changes on the availability and affordability of insurance, assessing the effect of changes on the Hurricane Catastrophe Loading for New Jersey's Homeowner's Program and any impact that medical malpractice reform may have on the costs of the health care system.

The P&C Insurance Office review of statutes and regulations incorporates a review of how other states, other governmental jurisdictions and other entities deal with similar issues. For example, a statute review may include a review of NAIC (National Association of Insurance Commissioners) model laws, regulations and discussions, and AAA (American Academy of Actuaries) positions. Contractors assist the P&C Insurance Office in these reviews.

#### **1.2.3.6 SPECIAL ACTUARIAL PROJECTS**

Lastly, the P&C Insurance Office carries out various special actuarial projects which have regulatory and legislative implications on the property and casualty insurers in the State.

Such special projects are performed as directed by the Commissioner of Banking & Insurance or as needed by the State Legislature. These actuarial projects include, but are not limited to: the actuarial review of rates proposed for the Tier Rate Program; the review and evaluation of excess profit methodology and the review of territorial mapping. Contractors assist the P&C Insurance Office in these special project reviews.

### **1.2.4 LIFE AND HEALTH INSURANCE OFFICE**

The L&H Insurance Office is charged with a number of functions relating to the regulation of the life and health insurance industry, including the following:

#### **1.2.4.1 OVERSIGHT OF CONTRACTS, RATES AND FORMS**

L&H Insurance Office has regulatory oversight of insurance contracts, rates and forms issued by insurers for life insurance, annuities, guaranteed investment contracts and individual and group health insurance. Exceptions relate to the Individual Health Coverage (IHC) Program and the Small Employer Health (SEH) Program. L&H Insurance Office also has regulatory oversight of rates for individual health insurance and for credit insurance.

Insurers are required to submit contracts and forms to L&H Insurance Office for review and approval. Insurers must also submit their proposed rates with supporting documentation to L&H Insurance Office for regulatory review. Contractors assist L&H Insurance Office in the review and analysis of contracts, forms and rates.

#### **1.2.4.2 ESTABLISHMENT OF SEPARATE ACCOUNTS**

L&H Insurance Office exercises regulatory authority over the establishment of separate accounts by domestic insurers. Insurers submit documentation that supports the creation of the separate account and that documentation is reviewed by L&H Insurance Office for compliance. Contractors assist L&H Insurance Office in the review of insurer submissions.

#### **1.2.4.3 RESERVES AND LIABILITIES**

L&H Insurance Office reviews the reserves and liabilities held by domestic insurers and Health Maintenance Organization (HMOs) operating in New Jersey to ensure that reserves are adequate to meet policy and contract obligations. Insurers and HMOs must submit actuarial certifications and supporting documentation to L&H Insurance Office for review and approval. Contractors assist L&H Insurance Office in the review of methods and assumptions used in determining reserves and liabilities.

#### 1.2.4.4 REINSURANCE REVIEWS

L&H Insurance Office has regulatory authority over reinsurance agreements entered into by domestic life and health insurers and by HMOs doing business in New Jersey. Agreements are reviewed for compliance with regulations and standards. Contractors assist L&H Insurance Office in the review of these agreements.

#### 1.2.4.5 LICENSING TO DO BUSINESS IN NEW JERSEY

L&H Insurance Office oversees the licensing of entities seeking authority to do business in New Jersey. These entities include life and health insurers, HMOs, Dental Plan Organizations (DPOs), dental service corporations, risk-assuming organized delivery systems, self-funded multiple employer welfare arrangements and small employer purchasing alliances. License applications include financial projections and business plans. Contractors assist L&H Insurance Office in the review of the projections and business plans.

#### 1.2.4.6 TIMELINESS OF CLAIM PAYMENTS

L&H Insurance Office reviews health carrier reports on the timeliness of claim payments for compliance with statutes and regulations. Contractors assist L&H in the review and analysis of these reports.

#### 1.2.4.7 SPECIAL PROJECTS

L&H Insurance Office participates in special projects related to the regulation of the life and health insurance industry in New Jersey. Such special projects require studies, participation on taskforces and working groups, collection and analysis of data for the purpose of making recommendations to address new issues or to update existing statutes and regulations. Contractors assist L&H Insurance Office in such special projects.

### 1.3 KEY EVENTS

#### 1.3.1 ELECTRONIC QUESTION AND ANSWER PERIOD

It is the policy of the Purchase Bureau to accept questions and inquiries from all potential bidders electronically via web form. To submit a question, please go to the Quicklinks Q&A button on the Advertised Solicitation, Current Bid Opportunities webpage <https://www.neta.state.nj.us/treasury/dpp/ebid/QA.aspx>.

After the submission of bid proposals, unless requested by the State, contact with the State is limited to status inquiries only and such inquiries are only to be directed to the web form. Any further contact or information about the proposal to the buyer or any other State official connected with the solicitation will be considered an impermissible supplementation of the bidder's bid proposal.

#### 1.3.1.1 QUESTION PROTOCOL

Questions should be addressed in writing via the procedure set forth above. Questions should be directed to the RFP by the writer and questions should be 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.

Bidders shall not contact the Using Agency directly, in person, by telephone or by email, concerning this RFP.

#### 1.3.1.2 CUT-OFF DATE FOR QUESTIONS AND INQUIRIES

The cut-off date for questions and inquiries relating to this RFP is **September 6, 2005**. Addenda, if any, to this RFP will be posted to the Purchase Bureau website (see Section 1.4.1. of this RFP for further information.)



1.3.2 MANDATORY SITE VISIT

Not applicable to this procurement

1.3.3 OPTIONAL SITE VISIT

Not applicable to this procurement

1.3.4 MANDATORY PRE-BID CONFERENCE

Not applicable to this procurement

1.3.5 OPTIONAL PRE-BID CONFERENCE

Not applicable to this procurement

1.3.6 SUBMISSION OF BID PROPOSAL

In order to be considered for award, the bid proposal must be received by the Purchase Bureau of the Division of Purchase and Property at the appropriate location by the required time. You must submit a bid proposal in order to be considered for contract award. **ANY BID PROPOSAL NOT RECEIVED ON TIME AT THE RIGHT PLACE WILL BE REJECTED. THE DATE, TIME AND LOCATION ARE:**

<b>DATE:</b>	<b>September 28, 2005</b>
<b>TIME:</b>	<b>2:00 PM</b>
<b>LOCATION:</b>	<p><b>BID RECEIVING ROOM - 9TH FLOOR PURCHASE BUREAU DIVISION OF PURCHASE AND PROPERTY DEPARTMENT OF THE TREASURY 33 WEST STATE STREET, P.O. BOX 230 TRENTON, NJ 08625-0230</b></p> <p><b>Directions to the Purchase Bureau can be found on the following website:</b> <a href="http://www.state.nj.us/treasury/purchase/directions.shtml">http://www.state.nj.us/treasury/purchase/directions.shtml</a></p>

1.3.7 DOCUMENT REVIEW

Not applicable to this procurement

1.4 ADDITIONAL INFORMATION

1.4.1 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.

**ALL RFP ADDENDA WILL BE ISSUED ON THE PURCHASE BUREAU WEB SITE. TO ACCESS ADDENDA THE BIDDER MUST SELECT THE BID NUMBER ON THE PURCHASE BUREAU BIDDING OPPORTUNITIES WEB PAGE AT THE FOLLOWING ADDRESS:**

**[HTTP://WWW.STATE.NJ.US/TREASURY/PURCHASE/BID/SUMMARY/BID.SHTML.](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 Purchase Bureau "Bidding Opportunities" website on a daily basis from time of RFP issuance through bid opening.

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

#### **1.4.2 ADDENDUM AS A PART OF THIS RFP**

Any addenda to this RFP shall become part of this RFP and part of any contract resulting from this RFP.

#### **1.4.3 ISSUING OFFICE**

This RFP is issued by the Purchase Bureau, Division of Purchase and Property.

#### **1.4.4 BIDDER RESPONSIBILITY**

The bidder assumes sole responsibility for the complete effort required in this RFP. No special consideration shall be given after bids are opened because of a bidder's failure to be knowledgeable of all the requirements of this RFP. By submitting a bid proposal in response to this RFP, the bidder represents that it has satisfied itself, from its own investigation, of all the requirements of this RFP.

#### **1.4.5 COST LIABILITY**

The State assumes no responsibility and bears no liability for costs incurred by bidders before the award of the contract resulting from this RFP.

#### **1.4.6 CONTENTS OF BID PROPOSAL**

Subsequent to bid opening, all information submitted by bidders in response to the bid solicitation is considered public information, except as may be exempted from public disclosure by the Open Public Records Act, N.J.S.A. 47:1A-1 et seq., and the common law. A bidder may designate specific information as not subject to disclosure when the bidder has a good faith legal/factual basis for such assertion. The State reserves the right to make the determination and shall so advise the bidder. The location in the bid proposal of any such designation should be clearly stated in a cover letter. The State will not honor attempts by bidders either to designate their entire bid proposal as proprietary and/or to claim copyright protection for their entire proposal.

All bid proposals, with the exception of information determined by the State to be proprietary, are available for public inspection.

Interested parties can make an appointment with the Purchase Bureau to inspect bid proposals received in response to this RFP.

#### **1.4.7 PRICE ALTERATION**

Bid prices must be typed or written in ink. Any price change (including "white-outs") must be initialed. Failure to do so may preclude an award being made to the bidder.

#### **1.4.8 JOINT VENTURE**

If a joint venture is submitting a bid proposal, the agreement between the parties relating to such joint venture should be submitted with the joint venture's bid proposal. Authorized signatories from each party comprising the joint venture must sign the bid proposal. A separate Ownership Disclosure Form, Affirmative Action Employee Information Report, MacBride Principles Certification, and Business Registration or Interim Registration must be supplied for each party to a joint venture.

## 2.0 DEFINITIONS

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

### 2.1 STANDARD DEFINITIONS

**Addendum** – Written clarification or revision to this RFP issued by the Purchase Bureau.

**All Inclusive Hourly Rate** – A rate that is all inclusive direct 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.

**Amendment** – A change in the scope of work to be performed by the contractor. An amendment is not effective until it is signed by the Director, Division of Purchase and Property.

**Bidder** - An individual or business entity submitting a bid 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 contractor is the bidder awarded a contract.

**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 by the Director to review and evaluate bid 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.

**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 bid proposals to meet the purchase needs of the using Agencies as identified herein.

**Shall or Must** – Denotes that which is a mandatory requirement.

**Should** - Denotes that which is recommended, not mandatory.

**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 5.2, 5.2.1, 5.2.2 and 5.2.3.

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

**State** - State of New Jersey.

**Task** – A discrete unit of work to be performed.

**Using Agency** - The entity for which the Division has issued this RFP and will enter into a contract.

## 2.2 CONTRACT SPECIFIC DEFINITIONS

**Actuarial Staff** - Persons experienced in computing premium rates, dividends, risks, etc. according to probabilities based on statistical records.

**Actuarial Student** – An individual who has passed at least one actuarial exam but has not achieved associate level.

**Administrative Staff** - Any person rendering support services on this contract.

**Associate** – Associates of the Society of Actuaries have successfully completed exams in Probability, Financial Mathematics, Actuarial Models, Construction and Evaluation of Actuarial Models, and two other subject areas as prescribed by the Society of Actuaries (SOA). Furthermore, they must receive Validation by Educational Experience (VEE) in the areas of Economics, Corporate Finance, and Applied Statistics, and complete an Associateship Professionalism Course (APC).

**Excess Profit Filing** - An insurer's submission pursuant to N.J.S.A. 17:29A-5.7 whose purpose is to determine whether an insurer has achieved an excessive level of profits in private passenger automobile insurance.

**Fellow** - One who is engaged in the pursuit of advanced accreditation in the actuarial field, but is a professional fellow as defined by the actuarial profession. Fellows have satisfied the requirements of Associateship, completed 50 units of eligible education, and attended a Fellowship Admissions Course (FAC).

**Form Filing** – The documentation submitted by an insurer requesting the approval to use a particular insurance policy form.

**Form Review** - The oversight of insurance policy forms to ensure compliance with statutes, regulations and DOBI guidelines.

**Hurricane Catastrophe Loading for New Jersey's Homeowner's Program** - A provision in the homeowner's rates for a natural or man-made disaster that is unusually severe and affects many insurers and policyholders.

**Loss Cost Advisory Organization** - Every person, corporation, partnership, company, society or association engaged in the business of ratemaking-related activities for two or more insurers.

**Loss Cost Filing** - A submission which calculates the portion of a rate that does not include provisions for expenses (other than loss adjustment expense) or profit.

**Manager** - A classification that requires extensive actuarial experience and managerial ability. This individual is responsible for the direct management of complex actuarial statistical records and the accuracy of computed premium rates.

**Paraprofessional** - One who assists a professional person but is not a member of the profession.

**Partner** - An individual who has ownership in the firm and a person, as such, who is responsible for endorsing the accuracy of findings, recommendations and reports submitted in conjunction with the scope of work for this contract.

**Personal Property and Casualty Insurance** - Insurance that covers either the risk of damage or loss of property or the legal liability for losses caused by bodily injury to or the physical damage to property of others.

**Policy** or **Policy Forms** - Any written contract of property and casualty insurance.

**Principal** - An individual authorized to allocate resources, define work activities or initiate major work project activities required to develop the contractor's master plan for completing task activities with this contract

**Property and Casualty Coverage** - Various types of damages that are covered in a property and casualty insurance contract.

**Rate** - The unit charges by which the measure of exposure or the amount of insurance specified in a policy of insurance or covered there under are multiplied to determine the premium.

**Rate Filing** - The documentation submitted by an insurer requesting a change in the existing rates charged by the insurer to provide insurance coverage.

**Rate Review** - The analysis of insurance rate filings by an actuary to ensure compliance with statutes, regulations and DOBI guidelines.

**Rule Review** - The oversight of insurance rating rules to ensure compliance with statutes, regulations and DOBI guidelines.

**Senior Associate** - An individual with preference in position but who is still acting in a subordinate capacity. A Senior Associate's work duties require the authority of another to act.

**Senior Manager** - An individual charged with overseeing all the daily administrative operations and work activities for the various task elements within this contract. The Senior Manager also exercises direct control and supervision of the unit managers assigned to work on this contract.

**Territorial Mapping** - The process of establishing geographic boundaries according to statistical relativities to reflect cost differences of groups of insureds by geographic area for use in insurance rating systems.

**Tier Rate Program** - A program of underwriting rules, filed and approved pursuant to N.J.S.A. 17:29A-46.1 et seq. and N.J.A.C. 11:3-19A, which defines and characterizes one or more mutually exclusive groups of insureds.

**Workers Compensation Rating Bureau** - The New Jersey Compensation Rating and Inspection Bureau created and established pursuant to N.J.S.A. 34:15-89, which is responsible for establishing and maintaining rules, regulations and premium rates for workers compensation and employers liability insurance.

## 2.3 LIFE AND HEALTH INSURANCE SPECIFIC DEFINITIONS

**Annuity** - A contract under which an insurer obligates itself to make periodic payments for a specified period of time, such as for a number of years, until the happening of an event, for life, or for a period of time determined by any combination thereof.

**Credit Insurance** - In the case of credit life insurance, insurance on the life of a debtor pursuant to or in connection with a specific loan or other credit transaction or, in the case of credit health insurance, insurance on a debtor to provide indemnity for payments due on a specific loan or other credit transaction while the debtor is disabled as defined in the policy.

**Domestic insurer** - An insurer formed under the laws of this State.

**Dental Plan Organization (DPO)** - Any person or company that provides direct or arranges for administration of one or more plans providing dental services on a prepaid or post paid individual or group fee basis.

**Dental Service Corporation** - A corporation which is organized, without capital stock, and not for profit, for the purpose of establishing, maintaining and operating a nonprofit dental service plan, whereby the expense of dental services to subscribers and other covered dependents is paid in whole or in part by the corporation to participating dentists and to others as provided herein in return for premiums or other valuable considerations, and which holds a certificate of authority issued pursuant to N.J.S.A. 17:48C-1 et seq.

**Guaranteed Investment Contract** - A deposit-type contract, typically issued by an insurance company, not involving life contingencies or morbidity that provides a guaranteed minimum rate of return.

**Health Carrier Report** - The report that a carrier must file with DOBI on the timeliness of claim payments pursuant to N.J.A.C. 11:22-1.9.

**Health insurance** - A contract or agreement whereby an insurer is obligated to pay or allow a benefit of pecuniary value with respect to the bodily injury, disablement, sickness, death by accident or accidental means of a human being, or because of any expense relating thereto, or because of any expense incurred in prevention of sickness.

**Health Maintenance Organization (HMO)** - Any individual or entity that undertakes to provide or arrange for basic comprehensive health care services through an organized system that combines the delivery and financing of health care on a prepaid basis.

**Individual Health Coverage (IHC) Program** - The program established pursuant to N.J.S.A. 17B:27A-1 et seq.

**Life Insurance** - A policy or contract whereby an insurer is obligated to pay or allow a benefit of pecuniary value with respect to the cessation of life and includes such additional benefits as described in N.J.S.A. 17B:17-3.

**Organized Delivery System** - An organization with defined governance that is organized for the purpose of and has the capability of contracting with a carrier to provide or arrange to provide health care services or benefits under the carrier's benefits plan, as defined at N.J.S.A. 17:48H-1.

**Plan of Operation** - A written plan regarding the operation of a separate account that includes a statement describing the methods and procedures used to value liabilities and a description of the allowable investment parameters which must comply with N.J.S.A. 17B:28-9.

**Reinsurance** - A contract under which an originating insurer, called the "ceding" insurer, procures insurance for itself with another insurer, called the "assuming insurer," with respect to part or all of an insurance risk of the originating insurer.

**Reserve** - A fund, reported as a liability, established to meet obligations to policy and contract holders.

**Self-Funded Multiple Employer Welfare Arrangement** or **Partially Self-Funded Multiple Employer Welfare Arrangement** - (collectively, MEWA) - A multiple employer welfare arrangement as defined in 29 U.S.C. § 1002(40), other than a government or church plan as defined at 29 U.S.C. § 1002(32) and (33), respectively that provides a health benefit plan or plans which cover the employees of at least one employer that is either domiciled in New Jersey or has its principal headquarters or principal administrative office located in New Jersey, and which is not fully insured as defined in 29 U.S.C. § 1144(b)(6)(D).

**Separate account** -Any segregated portfolio of investments or designated account of an insurer established pursuant to N.J.S.A. 17B:28-1 et seq.

**Small Employer Health Benefits (SEH) Program** - The program established pursuant to N.J.S.A. 17B:27A-17 et seq.

**Small Employer Purchasing Alliance** - A group of small employers that join together pursuant to N.J.S.A. 17B:27A-25.3 for the purpose of negotiating a reduced premium for its members purchasing a small employer health benefits plan or plans for their eligible employees and the employee's dependents.

### 3.0 SCOPE OF WORK

Three categories of contracts will be awarded: 1) Property and Casualty projects, 2) Life and Health projects, and 3) Mandated Health Benefits Advisory Commission projects. Each contract award category shall be considered independent from the other categories. A single contractor may hold a contract in any one category, any two categories or all three categories.

Engagement of contractors shall be on an as-needed basis. Any work or portion thereof described herein may be performed internally within the affected State offices without the assistance of a contractor.

#### 3.1 PROPERTY AND CASUALTY SCOPE OF WORK

The P&C Insurance Office may require a contractor to perform work related to any programs outlined in Section 2.1. The contractor's work shall be limited to the actuarial components of any work item specified herein.

##### 3.1.1 COMMUNICATING WITH INSURERS

As directed or as needed, the contractor shall communicate directly with the property/casualty insurer to request clarification of information contained in the insurer's submissions or to request additional information from the insurer that is pertinent to the review of the submissions. When communicating with insurers, the contractor must submit to the P&C State Contract Manager or designee copies of all written communications and notes of verbal communications between the contractor and the property/casualty insurer.

##### 3.1.2 ANALYSIS OF SUPPORTING DOCUMENTATION

When performing a review of an insurer's filing for a rate change, form change or loss cost change, the contractor shall determine if the documentation filed supports the change. The contractor's analysis of the supporting documentation shall be submitted to the P&C State Contractor Manager or designee in the form of a written report. If the contractor's analysis determines that the filing supports the change, the report shall recommend acceptance of the change. If the contractor's analysis does not support the change, the report must either recommend rejection of that filing or an alternative course of action. This contract does not restrict the types of alternative actions the contractor may propose, but alternate courses of action must be discussed with the P&C State Contractor Manager or designated P&C staff at the time of the review. The guidelines for the review process are outlined in the State statutes and corresponding regulations.

##### 3.1.3 DELIVERY AND CONTENT OF REPORT

The contractor shall provide the written report of the review of a filing within thirty (30) days of receipt of the filing by the P&C Insurance Office, or within any time frame specified by the P&C Insurance Office in order to comply with regulation requirements. The report shall, at a minimum, include the following: background information, summary of review, a table of comparison of rate changes by coverage, issues leading to differences in rates, discussion of issues and their rate effects on the insurer's proposed changes; the exhibits to support analysis and/or calculations; and supporting documentation (including lists of citations or references).

##### 3.1.4 ATTEND MEETINGS

In the course of the review of a filing, the contractor shall attend meetings with P&C Insurance Office staff to discuss topics to be addressed in the report, establish timeframes for completion of the report, or for any other reason determined necessary by the P&C State Contractor Manager. The contractor shall testify at hearings in support of conclusions as deemed necessary by the P&C State Contractor Manager.

##### 3.1.5 REGULATION CHANGES THAT AFFECT FILINGS

As directed, the contractor shall review insurers' filings in the light of actual or anticipated changes in regulations and/or statutes.



### **3.1.6 REVIEW FOR COMPLIANCE WITH LAWS AND REGULATIONS**

Property and casualty insurers must submit applications to change their rates to the P&C Insurance Office. The P&C Insurance Office reviews rate change applications for compliance with the State's insurance laws and regulations. As directed, the contractor shall review the applications and related rates for compliance with insurance statutes (N.J.S.A. 17:29A-6 et seq.) and regulations (N.J.A.C. 11:13-2.1 et seq.) as well as any additional and applicable DOBI standards.

Property and Casualty insurers must also submit applications to change their Property and Casualty Coverage and Policy Forms to the P&C Insurance Office. As directed by the P&C Insurance Office, the contractor shall review forms for compliance with insurance statutes (N.J.S.A. 17:29AA-6 et seq.) and regulations (N.J.A.C. 11:1-2.1 et seq., N.J.A.C. 11:13-2.1 et seq.) as well as any additional and applicable DOBI standards.

### **3.1.7 EXCESS PROFIT REVIEWS**

As directed by the P&C Insurance Office, the contractor shall review Excess Profits Filings submitted by insurers. The contractor shall review such filings in accordance with the New Jersey Excess Profit statutes (N.J.S.A. 17:29A-5.7 et seq.) and DOBI regulations (N.J.A.C. 11:3-20.1 et seq.) to ensure the filings comply with the requirements of the statutes and regulations.

### **3.1.8 WORKERS COMPENSATION AND LOSS COST FILINGS**

As directed by the P&C Insurance Office, the contractor shall review filings submitted by the Workers Compensation Rating Bureau and loss cost filings submitted by the Loss Cost Advisory Organizations. The contractor shall review such filings for compliance with insurance statutes (N.J.S.A. 17:29A-1 et seq., N.J.S.A. 34:15-89 et seq.) and regulations (N.J.A.C. 11:1-2.1 et seq.) as well as any additional and applicable DOBI standards.

### **3.1.9 REVIEW CHANGES TO STATUTES AND REGULATIONS**

As directed by the P&C Insurance Office, the contractor shall review reforms of New Jersey's property and casualty statutes and regulations. The review shall include but shall not be limited to the effect of law changes on rates, the implications of such law changes on availability and affordability of insurance, the impact of the Hurricane Catastrophe Loading on New Jersey's Homeowner's Program or the impact on any other specific program specified in the change in the statute and regulation.

The contractor shall incorporate and include in the analysis of changes to statutes and regulations how other states and governmental jurisdictions deal with similar issues. The contractor shall include documents from the NAIC that relate to model laws, model regulations and supporting discussions as well as AAA positions.

### **3.1.10 SPECIAL PROJECTS**

Further, the P&C Insurance Office carries out various actuarial projects which have regulatory and legislative implications on the property and casualty industries in the State. The contractor shall assist in such actuarial projects as required by the P&C Insurance Office, Commissioner of Banking & Insurance or as needed to support the State Legislature. These actuarial projects include, but are not limited to: the actuarial review of rates proposed for the Tier Rate Program, the review and evaluation of excess profit methodology, and the review of territorial mapping.

## **3.2 LIFE AND HEALTH SCOPE OF WORK**

The L&H Insurance Office may require a contractor to perform work related to any programs outlined in Section 2.2. The Contractor's work shall be limited to the actuarial components of any work item specified herein.

### **3.2.1 ATTEND MEETINGS**

The contractor shall attend meetings with the L&H Insurance Office to discuss topics to be addressed in any review and report, and to establish timeframes for the completion of reviews and reports. The contractor shall attend additional meetings with L&H Insurance Office staff as needed.

### **3.2.2 REVIEW OF LAWS AND REGULATIONS**

The contractor shall perform a review and analysis of applicable New Jersey statutes and regulations. As appropriate, the contractor shall also perform an analysis of how other states are dealing with similar issues, including the statutes and regulations of other states, NAIC model laws, regulations and discussion and AAA positions, guidelines and standards of practice.

### **3.2.3 COMMUNICATING WITH INSURERS**

As needed, the contractor shall communicate directly with the L&H insurer, other regulators, industry representatives or other groups to request clarification of information or to request additional information that is pertinent to complete the analysis and report. However, at the conclusion of any communication, the contractor must submit to the L&H Insurance Office copies of all written communications and notes of verbal communications between the contractor and the insurers or other parties.

### **3.2.4 REQUESTING INFORMATION**

The contractor shall request information from the L&H Insurance Office that will assist in the analysis and review of any filing or in the performance of any other assigned work. Information that may be requested includes, but is not limited to, a company's past filings.

### **3.2.5 REPORT**

The contractor shall provide a written report summarizing the review within the timeframe specified by the L&H Insurance Office and as necessary to comply with requirements of statutes and regulations. The report shall include findings, conclusions and recommendations.

### **3.2.6 TESTIFY AT HEARINGS**

The contractor shall testify at hearings in support of its conclusions and recommendations as required by the L&H Insurance Office.

### **3.2.7 RATE AND FORM FILINGS**

As directed by the L&H Insurance Office, the contractor shall review policy forms and/or rates submitted by insurers. These forms or rates must be submitted or filed by insurers on either a prior approval basis, or a file and use basis. The contractor shall review the forms and/or rates for compliance with insurance statutes and regulations and shall make recommendations on acceptability within 30 days of receipt of the filing by DOBI, unless otherwise specified by DOBI.

### **3.2.8 SEPARATE ACCOUNTS**

As directed, the contractor shall review the plan of operation for a separate account submitted by an insurer for compliance with the statutory requirements (N.J.S.A. 17B:28-1 et seq.) and make a recommendation for approval or disapproval of the separate account.

### **3.2.9 RESERVE LIABILITIES**

The contractor shall review detailed valuation reports, actuarial opinions, memoranda and descriptive documentation as to the assumptions and methods used by an insurer to calculate reserves and related liabilities. The contractor shall review the information for compliance with statutes (N.J.S.A. 17B:19-8, The Standard Valuation Law) regulations (N.J.A.C. 11:1-21A.1 et seq., N.J.A.C. 11:4-6.1 et seq., N.J.A.C. 11:4-26.1 et seq., N.J.A.C. 11:4-32.1 et seq.), actuarial guidelines and actuarial standards of practice.

### **3.2.10 REINSURANCE AGREEMENTS**

The contractor shall review reinsurance agreements and supporting documentation for compliance with insurance statutes (N.J.S.A. 17B:18-64) and regulations (N.J.A.C. 11:2-40.1 et seq.) as well as any additional DOBI standards. Specific areas of review shall include analysis of risk transfer and financial impact on the insurers.

### **3.2.11 COMPANY LICENSURE**

The contractor shall review actuarial documentation, such as assumptions used in an applicant's financial projections, submitted in connection with an application for licensure. The information shall be analyzed for reasonableness and feasibility.

### **3.2.12 CLAIM PAYMENT REPORTS**

The contractor shall review and analyze health carrier claim reports for compliance with insurance statutes (N.J.S.A. 17B:30-23 et seq.) and regulations (N.J.A.C. 11:22-1.1 et seq.) as well as any additional L&H Insurance Office standards.

### **3.2.13 SPECIAL PROJECTS**

The contractor shall undertake special studies, perform and complete analysis of how other states are dealing with similar issues, participate on taskforces and work groups as directed, and collect and analyze data for the purpose of making recommendations to address emerging issues or to update existing statutes and regulations.

## **3.3 MANDATED HEALTH BENEFITS ADVISORY COMMISSION SCOPE OF WORK**

The contractor may provide actuarial services for one or more of the following tasks. The contractor shall perform actuarial reviews as assigned. The Life and Health Insurance Office may perform any service noted herein with internal staff without engaging the contractor.

The contractor may review bills from either House of the Legislature containing a proposed mandated health benefit and prepare a written report for the MHBAC within established timeframes not to exceed 45 days from the date of engagement that may include the following:

### **3.3.1. THE SOCIAL IMPACT OF A MANDATED HEALTH BENEFIT**

The contractor shall perform actuarial reviews related to the social impact of mandating a health benefit. The contractor shall not perform social impact reviews requiring the expertise of persons professionally trained in social work or other related social fields. These actuarial reviews shall include:

- a. the extent to which the proposed mandated health benefit and the services it would provide are needed by, available to and utilized by the population of New Jersey;
- b. the extent to which insurance coverage for the proposed mandated health benefit already exists or, if no coverage exists, the extent to which the lack of coverage results in inadequate health care or financial hardship for the affected population of New Jersey;
- c. the demand for the proposed mandated health benefit from the public and the source and extent of opposition to mandating the health benefit;

- d. relevant findings bearing on the social impact of the lack of the proposed mandated health benefit, and
- e. other information with respect to the social impact as the MHBAC deems appropriate.

### **3.3.2 THE FINANCIAL IMPACT OF A MANDATED HEALTH BENEFIT**

The contractor shall perform actuarial reviews related to the financial impact of mandating a health benefit. The contractor shall not perform financial impact reviews requiring the work of persons trained in accounting or other related financial fields. These actuarial reviews shall include:

- a. the extent to which the proposed mandated health benefit would increase or decrease the cost for treatment or service;
- b. the extent to which similar mandated health benefits in other states have affected charges and payments for services;
- c. the extent to which the proposed mandated health benefit would increase the appropriate use of the treatment or service;
- d. the impact of the proposed mandated health benefit on total costs to carriers and on administrative costs;
- e. the impact of the proposed mandated health benefit on total costs to purchasers and benefit costs;
- f. the impact of the proposed mandated health benefit on the total cost of health care within New Jersey; and
- g. other information with respect to the financial impact as the MHBAC deems appropriate.

### **3.3.3 THE MEDICAL EFFICACY OF A MANDATED HEALTH BENEFIT**

The contractor shall perform actuarial reviews related to the medical efficacy of mandating the health benefit. The contractor shall not perform medical impact reviews requiring the work of medical professionals or other related medical fields. These actuarial reviews shall include:

- a. if the proposed health benefit mandates coverage of a particular treatment or therapy, the recommendation of a clinical study or review article in a major peer-reviewed professional journal;
- b. if the proposed health benefit mandates coverage of the services provided by an additional class of practitioners, the results of at least one professionally accepted, controlled trial comparing the medical results achieved by the additional class of practitioners and the practitioners already covered by benefits;
- c. the results of other research;
- d. the impact of the proposed benefit on the general availability of health benefits coverage in New Jersey; and
- e. other information with respect to the medical efficacy as the MHBAC deems appropriate.

### **3.3.4 BALANCING SOCIAL, ECONOMIC AND MEDICAL EFFICACY**

The contractor shall submit a report that may specify all the related social, medical and economic impacts of the proposed legislation including a section in the report that balances the social, economic and medical efficacy considerations. The contractor shall not be required to provide the expertise of attorneys, social work professionals, financial professionals or other professionals relating to social, medical and economic fields to complete this review. The actuarial review shall include:

- a. the extent to which the need for coverage outweighs the costs of mandating the health benefit;
- b. the extent to which the problem of coverage may be solved by mandating the availability of the coverage as an option under a health benefits plan.

### **3.3.5 SOURCES OF INFORMATION**

The contractor's actuarial review of information shall include, but shall not be limited to, an analysis of information collected from various sources, such as:

- a. a State data collection system;
- b. the Departments of Health and Senior Services, and Banking and Insurance;
- c. health planning organizations;
- d. proponents and opponents of the proposed health benefit mandate, who shall be encouraged to provide appropriate documentation supporting their positions.

### **3.3.6 ATTEND MEETINGS**

The contractor shall attend meetings to discuss topics addressed and establish timeframes for completion of actuarial reviews and reports at the direction of the State Contract Manager or designee. The contractor shall attend additional meetings as needed.

### **3.3.7 PREPARE WRITTEN RESPONSES**

The MHBAC may receive comments on reports issued relevant to actuarial reports and reviews on proposed legislation. The contractor shall prepare responses to those comments as directed by the State contract manager or designee.

### **3.3.8 TESTIFY AT HEARINGS**

The Contractor shall testify at hearings in support of actuarial conclusions as needed by the MHBAC or DOBI.

## 4.0 PROPOSAL PREPARATION AND SUBMISSION

### 4.1 GENERAL

The bidder must follow instructions contained in this RFP and in the bid signatory page (<http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>) in preparing and submitting its bid proposal. The bidder is advised to thoroughly read and follow all instructions.

The information required to be submitted in response to this RFP has been determined to be essential in the bid evaluation and contract award process. Any qualifying statements made by the bidder to the RFP's requirements could result in a determination that the bidder's proposal is materially non-responsive. Each bidder is given wide latitude in the degree of detail it elects to offer or the extent to which plans, designs, systems, processes and procedures are revealed. Each bidder is cautioned, however, that insufficient detail may result in a determination that the bid proposal is materially non-responsive or, in the alternative, may result in a low technical score being given to the bid proposal.

The bidder is instructed to clearly identify any requirement of this RFP that the bidder cannot satisfy.

### 4.2 PROPOSAL DELIVERY AND IDENTIFICATION

In order to be considered, a bid proposal must arrive at the Purchase Bureau in accordance with the instructions on the RFP signatory page located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>. Bidders submitting proposals are cautioned to allow adequate delivery time to ensure timely delivery of proposals. State regulation mandates that late bid proposals are ineligible for consideration. **THE EXTERIOR OF ALL BID RESPONSE PACKAGES MUST BE LABELED WITH THE BID IDENTIFICATION NUMBER, FINAL BID OPENING DATE AND THE BUYER'S NAME.** All of this information is set forth at the top of the RFP signatory page located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>.

### 4.3 NUMBER OF BID PROPOSAL COPIES

Each bidder must submit **one (1) complete ORIGINAL bid proposal**, clearly marked as the "ORIGINAL" bid proposal. Each bidder should submit **eight (8) full, complete and exact copies** of the original. The copies requested are necessary in the evaluation of the bid proposal. Bidders failing to provide the requested number of copies will be charged the cost incurred by the State in producing the requested number of copies. It is suggested that the bidder make and retain a copy of its bid proposal.

### 4.4 PROPOSAL CONTENT

The bid proposal should be submitted in one volume and that volume divided into four (4) sections as follows:

- Section 1 - Forms (Section 4.4.1)
- Section 2 - Technical Proposal (Section 4.4.2)
- Section 3 - Organizational Support and Experience (Section 4.4.3)
- Section 4 - Cost Proposal (Section 4.4.4)

The following Table describes the format of the bid proposal that should be prepared with tabs (separators), and the content of the material located behind each tab.

TAB	CONTENTS	RFP SECTION REFERENCE	DESCRIPTION
1	Forms	<a href="#">4.4.1.1</a>	Signatory page- completed and signed <a href="http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml">http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml</a>
		<a href="#">4.4.1.2</a>	Ownership Disclosure Form <a href="http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml">http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml</a>
		<a href="#">4.4.1.3</a>	Disclosure of Investigations and Actions Involving Bidder <a href="http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml">http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml</a>
		<a href="#">4.4.1.4</a>	MacBride Principles Certification <a href="http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml">http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml</a>
		<a href="#">4.4.1.5</a>	Affirmative Action Employee Information Report or New Jersey Affirmative Action Certificate <a href="http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml">http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml</a>
		<a href="#">4.4.1.6</a>	Business Registration from Division of Revenue NJ Standard Terms & Conditions: Section 1.1 <a href="http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml">http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml</a>
		<a href="#">4.4.1.8</a>	Notice of Intent to Subcontract Form and Subcontractor Utilization Plan <a href="http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml">http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml</a>
		<a href="#">4.4.1.9</a>	Executive Order 129: Source Disclosure Certification Form <a href="http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml">http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml</a>
		<a href="#">4.4.1.10</a>	Bid Bond
		2	Technical Proposal
<a href="#">4.4.2.2</a>	Contract Management		
<a href="#">4.4.2.3</a>	Contract Schedule		
<a href="#">4.4.2.4</a>	Mobilization and Implementation Plan		
<a href="#">4.4.2.5</a>	Potential Problems		
3	Organizational Support and Experience Proposal	<a href="#">4.4.3.1</a>	Location
		<a href="#">4.4.3.2</a>	Organization Chart (Contract Specific)
		<a href="#">4.4.3.3</a>	Resumes
		<a href="#">4.4.3.4</a>	Backup Staff
		<a href="#">4.4.3.5</a>	Organization Chart (Entire Firm)
		<a href="#">4.4.3.6</a>	Experience of Bidder on Contracts of Similar Size and Scope
		<a href="#">4.4.3.7</a>	Financial Capability of the Bidder
		<a href="#">4.4.3.8</a>	Subcontractor(s)
4	Cost Proposal	<a href="#">4.4.4</a>	Price Schedules (Advertised Solicitation, Current Bid Opportunities webpage)

#### 4.4.1 SECTION 1 – FORMS

##### 4.4.1.1 SIGNATORY PAGE

The bidder shall complete and submit the Signatory page provided on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>.

#### 4.4.1.2 OWNERSHIP DISCLOSURE FORM

In the event the bidder is a corporation or partnership, the bidder must complete the attached Ownership Disclosure Form. A completed Ownership Disclosure Form must be received prior to or accompany the bid proposal. Failure to do so will preclude the award of the contract.

The Ownership Disclosure Form is located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>.

#### 4.4.1.3 DISCLOSURE OF INVESTIGATIONS/ACTIONS INVOLVING BIDDER

The bidder shall provide a detailed description of any investigation, litigation, including administrative complaints or other administrative proceedings, involving any public sector clients during the past five 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. The bidder shall use the Disclosure of Investigations and Actions Involving Bidder form located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>.

#### 4.4.1.4 MACBRIDE PRINCIPLES CERTIFICATION

The bidder must complete the attached MacBride Principles Certification evidencing compliance with the MacBride Principles. Failure to do so may result in the award of the contract to another vendor.

The MacBride Principles Certification Form is located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>.

#### 4.4.1.5 AFFIRMATIVE ACTION

The bidder must complete the attached Affirmative Action Employee Information Report, or, in the alternative, supply either a New Jersey Affirmative Action Certificate or evidence that the bidder is operating under a Federally approved or sanctioned affirmative action program. The requirement is a precondition to entering into a valid and binding contract.

The Affirmative Action Forms are located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>.

#### 4.4.1.6 BUSINESS REGISTRATION CERTIFICATE FROM THE DIVISION OF REVENUE

**FAILURE TO SUBMIT A COPY OF THE BIDDER'S BUSINESS REGISTRATION CERTIFICATE (OR INTERIM REGISTRATION) FROM THE DIVISION OF REVENUE WITH THE BID PROPOSAL MAY BE CAUSE FOR REJECTION OF THE BID PROPOSAL.**

The bidder may go to [www.nj.gov/njbgs](http://www.nj.gov/njbgs) to register with the Division of Revenue or to obtain a copy of an existing Business Registration Certificate.

Refer to Section 1.1. of the NJ Standard Terms and Conditions located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>, and Section 5.3 of this RFP for additional information concerning this requirement.

#### 4.4.1.7 EXECUTIVE ORDER 134

Refer to Section 5.27 of this RFP for more details concerning this requirement.

#### 4.4.1.8 SET ASIDE CONTRACTS

Not applicable to this procurement



#### 4.4.1.9 EXECUTIVE ORDER 129

##### **THE BIDDER SHOULD SUBMIT WITH ITS BID PROPOSAL A COMPLETED SOURCE DISCLOSURE FORM.**

Refer to Section 5.28 and the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml> for more information concerning this new requirement.

#### 4.4.1.10 BID BOND

Not applicable to this procurement

#### 4.4.2 SECTION 2 - 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 bid proposal should contain at least the following information:

##### 4.4.2.1 MANAGEMENT OVERVIEW

The bidder shall set forth its overall technical approach and plans to meet the requirements of the RFP in a narrative format. This narrative should convince 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 convince 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 convince 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 bid proposal will lead to successful contract completion.

The bidder must describe its ability to respond to and complete actuarial review projects as assigned within the timeframes specified.

##### 4.4.2.2 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.

##### 4.4.2.3 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.

##### 4.4.2.4 MOBILIZATION AND IMPLEMENTATION PLAN

Not applicable to this procurement

##### 4.4.2.5 POTENTIAL PROBLEMS

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

#### **4.4.3 SECTION 3 - 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.

##### **4.4.3.1 LOCATION**

The bidder should include the location of the bidder's office that will be responsible for managing the contract. The bidder should include the telephone number and name of the individual to contact.

##### **4.4.3.2 ORGANIZATION CHART (CONTRACT SPECIFIC)**

The bidder should include a contract organization chart, with names showing management, supervisory and other key personnel (including sub-vendor's 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.

##### **4.4.3.3 RESUMES**

Detailed resumes should be submitted for all management, supervisory and key personnel to be assigned to the contract. Resumes should be structured to 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:

- Clearly identify the individual's previous experience in completing similar contracts.
- Beginning and ending dates should be given for each similar contract.
- A description of the contract should be given and should demonstrate 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 bidder should include the name and address of each reference together with a person to contact for a reference check and a telephone number.

##### **4.4.3.4 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.

##### **4.4.3.5 ORGANIZATION CHART (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.

##### **4.4.3.6 EXPERIENCE OF BIDDER ON 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.

#### 4.4.3.7 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 to 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.

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. Bidder may submit specific financial documents in a separate, sealed package clearly marked "Confidential-Financial Information" along with the Bid Proposal.

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

#### 4.4.3.8 SUBCONTRACTOR(S)

- A. **All bidders** must complete the **Notice of Intent to Subcontract Form** whether or not they intend to utilize subcontractors in connection with the work set forth in this RFP. If the bidder intends to utilize subcontractor(s), then the **Subcontractor Utilization Plan** must also be submitted with the bid.
- B. Should the bidder propose to utilize a subcontractor(s) to fulfill any of its obligations, the bidder shall be responsible for the subcontractor's(s): (a) performance; (b) compliance with all of the terms and conditions of the contract; and (c) compliance with the requirements of all applicable laws.
- C. The bidder must provide a detailed description of services to be provided by each subcontractor, referencing the applicable Section or Subsection of this RFP.
- D. 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.
- E. 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.

#### 4.4.4 SECTION 4 - PRICE PROPOSAL

The price schedule is located on the Advertised Solicitation, Current Bid Opportunities webpage, <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>.

Each bidder must hold its price(s) firm through issuance of contract to permit the completion of the evaluation of bid proposals received and the contract award process.

Failure to submit all requested pricing information may result in the bidder's proposal being considered materially non-responsive. Each bidder must hold its price(s) firm through issuance of contract to permit the completion of the evaluation of bid proposals received and the contract award process.

A) Life and Health Bidders – Bidders for Life and Health Services shall provide hourly rates for proper staff on the Life and Health Price Schedule. Bidders are not required to provide a price for every labor category. However, for every labor category for which a bidder supplies a price, an hourly rate must be provided for all three years of the contract. In addition, the bidder should identify and provide a resume for each person or persons that will fill the labor category for which prices were supplied.

B) Property and Casualty Bidders – Bidders for Property and Casualty actuarial services shall provide hourly rates for proposed staff on the Property and Casualty Price Schedule. The bidding rules are the same as the rules for Life and Health Bidders in item A above.

C) Mandatory Health Benefits Advisory Commission Bidders – Bidders for MHBAC actuarial services shall provide hourly rates for proposed staff on the MHBAC Price Schedule. The bidding rules are the same as the rules for Life and Health Bidders in item A above.

## 5.0 SPECIAL TERMS AND CONDITIONS

### 5.1 PRECEDENCE OF CONTRACTUAL TERMS AND CONDITIONS

The contract shall consist of this RFP, addenda to this RFP, the vendor's bid proposal, and the Division's Notice of Acceptance.

Unless specifically noted within this RFP, the Special Terms and Conditions, take precedence over the NJ Standard Terms and Conditions, located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>.

In the event of a conflict between the provisions of this RFP, including the NJ Standard Terms and Conditions and the Special Terms and Conditions, and any addendum to the 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 STATE 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 name, department, division, agency, address, telephone number, fax phone number, and email address.

#### 5.2.1 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 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.

#### 5.2.2 OTHER DUTIES OF THE STATE CONTRACT MANAGER

The State Contract Manager shall have the following additional duties:

- a) If the State Contract Manager determines that the Contractor has failed to perform the work of the contract and is unable to resolve that failure to perform directly with the contractor, the State Contract Manager shall file a formal complaint with the Contract Compliance Unit in the Division of Purchase and Property and request that office to assist in the resolution the contract performance problem with the contractor.
- b) The State Contract Manager is responsible for arranging for contract extensions and preparing any re-procurement of the contract with the Purchase Bureau.
- c) The State Contract Manager is responsible for obtaining permission from the Director to reduce the scope of work, amend the contract or add work or special projects to the contract after contract award.
- d) The State Contract Manager is responsible for completion of the Project Performance Assessment Form for submission to the CCAU Unit of the Division, with a copy to the Associate Director of OMB; the Project Performance Assessment Form shall be submitted annually for multi-year contracts and at their completion. For contracts of one (1) year or less, the Project Performance Assessment Form shall be submitted within six (6) months of signing and at project completion.

- e) The State Contract Manager is responsible for submitting the Contractor final deliverables to the Associate Director of OMB.
- f) The State Contract Manager is also responsible to formally report, to the Division of Purchase and Property's Assistant Director, CCAU, using the PB-36 Formal Complaint form, all instances when deliverables, i.e. commodities and/or services, are not in accordance with the contract specifications or scope of work. Variances from contract pricing shall be reported in this same manner to ensure that State and other using agencies receive the goods and/or services at the pricing established at the time of contract award or amendment(s) to the contract.

### 5.2.3 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 can not resolve a dispute with contract users.

### 5.3 PERFORMANCE BOND

Not applicable to this procurement

### 5.4 BUSINESS REGISTRATION

The following shall supplement Section 1.1 in the NJ Standard Terms and Conditions pertaining to Business Registration located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>.

"Affiliate" means any entity that (1) directly, indirectly, or constructively controls another entity, (2) is directly, indirectly, or constructively controlled by another entity, or (3) is subject to the control of a common entity. An entity controls another entity if it owns, directly or individually, more than 50% of the ownership in that entity.

"Business organization" means an individual, partnership, association, joint stock company, trust, corporation, or other legal business entity or successor thereof;

"Business registration" means a business registration certificate issued by the Department of the Treasury or such other form or verification that a contractor or subcontractor is registered with the Department of Treasury;

"Contractor" means a business organization that seeks to enter, or has entered into, a contract to provide goods or services with a contracting agency;

"Contracting agency" means the principal departments in the Executive Branch of the State Government, and any division, board, bureau, office, commission or other instrumentality within or created by such department, or any independent State authority, commission, instrumentality or agency, or any State college or university, any county college, or any local unit; with respect to this Contract, the contracting agency shall mean the Division;

"Subcontractor" means any business organization that is not a contractor that knowingly provides goods or performs services for a contractor or another subcontractor in the fulfillment of a contract.

A bidder shall submit a copy of its business registration at the time of submission of its bid proposal in response to this RFP.

A subcontractor shall provide a copy of its business registration to any contractor who shall forward it to the contracting agency. No contract with a subcontractor shall be entered into by any contractor unless the subcontractor first provides proof of valid business registrations.

The contractor shall provide written notice to all subcontractors that they are required to submit a copy of their business registration to the contractor. The contractor shall maintain a list of the names of any subcontractors and their current addresses, updated as necessary during the course of the contract performance. The contractor shall submit to the contracting agency a copy of the list of subcontractors, updated as necessary during the course of performance of the

contract. The contractor shall submit a complete and accurate list of the subcontractors to the contracting agency before a request for final payment is made to the using agency.

The contractor and any subcontractor providing goods or performing services under the contract, and each of their affiliates, shall, during the term of the contract, collect and remit to the Director of the Division of Taxation in the Department of the Treasury the use tax due pursuant to the "Sales and Use Tax Act, P.L. 1966, c. 30 (N.J.S.A. 54:32B-1 et seq.) on all their sales of tangible personal property delivered into the State.

This paragraph shall apply to all contracts awarded on and after September 1, 2004

## **5.5 CONTRACT TERM AND EXTENSION OPTION**

The term of the contract shall be for a period of **three (3)** years. The anticipated "Contract Effective Date" is provided on the signatory page of this RFP located on the Advertised Solicitation, Current Bid Opportunities webpage, <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>. If delays in the bid process result in an adjustment of 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 two (2) additional periods of up to one (1) year, by mutual written consent of the contractor and the Director at the same terms, conditions and pricing. The length of each extension shall be determined when the extension request is processed.

Should the contract be extended, the contractor shall be paid at the rates in effect in the last year of the contract.

## **5.6 CONTRACT TRANSITION**

In the event services end by either contract expiration or termination, it shall be incumbent upon the contractor to continue services, if requested by the Director, until new services can be completely operational. The contractor acknowledges its responsibility to cooperate fully with the replacement contractor and the State to ensure a smooth and timely transition to the replacement contractor. Such transitional period shall not extend more than ninety (90) days beyond the expiration date of the contract, or any extension thereof. The contractor will be reimbursed for services during the transitional period at the rate in effect when the transitional period clause is invoked by the State.

## **5.7 AVAILABILITY OF FUNDS**

The State's obligation to pay the contractor is contingent upon the availability of appropriated funds from which payment for contract purposes can be made. No legal liability on the part of the State for payment of any money shall arise unless funds are made available each fiscal year to the Using Agency by the Legislature.

## **5.8 CONTRACT AMENDMENT**

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

## **5.9 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.

## 5.10 SUBSTITUTION OF STAFF

If it becomes necessary for the contractor to substitute any management, supervisory or key personnel, the contractor will 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 substitution(s) have qualifications and experience equal to or better than the individual(s) originally proposed or currently assigned.

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.

## 5.11 SUBSTITUTION OR ADDITION OF SUBCONTRACTOR(S)

This Subsection serves to supplement but not to supersede Section 3.11 of the NJ Standard Terms and Conditions located on the Advertised Solicitation, Current Bid Opportunities webpage.

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 bid proposal.

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.

## 5.12 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 30 days notice by the State. With respect to software computer programs and/or source codes developed for the State, 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 Agreement, 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 bid proposal. Otherwise, the language in the first paragraph of this section prevails. If the bidder identifies such intellectual property ("Background IP") in its bid 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 non-exclusive, 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.



### 5.13 DATA CONFIDENTIALITY

All financial, statistical, personnel and/or technical data supplied by the State to the contractor are confidential. The contractor is required to use reasonable care to protect the confidentiality of such data. 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.

### 5.14 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.

### 5.15 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.

### 5.16 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 bid proposal.

### 5.17 CLAIMS AND REMEDIES

#### 5.17.1 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.

#### 5.17.2 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.

#### 5.17.3 REMEDIES FOR NON-PERFORMANCE

In the event the contractor fails to comply with any material contract requirement, the Director may take steps to terminate the contract in accordance with the State Administrative Code. In this event, the Director may 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.

### 5.18 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.

### 5.19 RETAINAGE

Not applicable to this procurement

### 5.20 STATE'S OPTION TO REDUCE SCOPE OF WORK

The State has the option, in its sole discretion, to reduce the scope of work for any task or subtask called for under this contract. In such an event, the Director shall provide advance written notice to the contractor.

Upon receipt of such written notice, the contractor will submit, within five (5) working days to the Director and the State Contract Manager, an itemization of the work effort already completed by task or subtask. The contractor shall be compensated for such work effort according to the applicable portions of its cost proposal.

## 5.21 SUSPENSION OF WORK

The State Contract Manager may, for valid reason, issue a stop order directing the contractor to suspend work under the contract for a specific time. The contractor shall be paid until the effective date of the stop order. The contractor shall resume work upon the date specified in the stop order, or upon such other date as the State Contract Manager may thereafter direct in writing. The period of suspension shall be deemed added to the contractor's approved schedule of performance. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

## 5.22 CHANGE IN LAW

Whenever an unforeseen change in applicable law or regulation affects the services that are the subject of this contract, the contractor shall advise the State Contract Manager and the Director in writing and include in such written transmittal any estimated increase or decrease in the cost of its performance of the services as a result of such change in law or regulation. The Director and the contractor shall negotiate an equitable adjustment, if any, to the contract price.

## 5.23 CONTRACT PRICE INCREASE (PREVAILING WAGE)

If the Prevailing Wage Act (N.J.S.A. 34:11-56 et seq.) is applicable to the contract, the contractor may apply to the Director, on the anniversary of the effective date of the contract, for a contract price increase. The contract price increase will be available only for an increase in the prevailing wages of trades and occupations covered under this contract during the prior year. The contractor must substantiate with documentation the need for the increase and submit it to the Director for review and determination of the amount, if any, of the requested increase, which shall be available for the upcoming contract year. No retroactive increases will be approved by the Director.

## 5.24 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 cost proposal must be based upon the hourly rates, unit costs or other cost elements submitted by the contractor in the contractor's original bid proposal submitted in response to this RFP. Whenever possible, the cost proposal should be a firm, fixed cost 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 bid 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 all 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 (OMB) and Office of Information and Technology (OIT).

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.

## **5.25 FORM OF COMPENSATION AND PAYMENT**

This Section supplements Section 4.5 of the NJ Standard Terms and Conditions, located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-X-37739.shtml>. The contractor must submit official State invoice forms to the Using Agency with supporting documentation evidencing that work for which payment is sought has been satisfactorily completed. Invoices must reference the tasks or subtasks detailed in the Scope of Work section of the RFP and must be in strict accordance with the firm, fixed prices submitted for each task or subtask on the RFP pricing sheets. When applicable, invoices should reference the appropriate RFP price sheet line number from the contractor's bid proposal. All invoices must be approved by the State Contract Manager before payment will be authorized.

In addition, primary contractors must provide, on a monthly and cumulative basis, a breakdown in accordance with the budget submitted, of all monies paid to any small business subcontractor(s). This breakdown shall be sent to the Purchase Bureau Business Unit, Set-Aside Coordinator.

Invoices must also be submitted for any special projects, additional work or other items properly authorized and satisfactorily completed under the contract. Invoices shall be submitted according to the payment schedule agreed upon when the work was authorized and approved. Payment can only be made for work when it has received all required written approvals and has been satisfactorily completed.

### **5.25.1 PAYMENT TO CONTRACTOR - OPTIONAL METHOD**

Not applicable to this procurement

## **5.26 CONTRACT ACTIVITY REPORT**

Not applicable to this procurement

## **5.27 REQUIREMENTS OF EXECUTIVE ORDER 134**

In order to safeguard the integrity of State government procurement by imposing restrictions to insulate the award of State contracts from political contributions that pose the risk of improper influence, purchase of access, or the appearance thereof, Executive Order 134 was signed on September 22, 2004 ("EO 134"). Pursuant to the requirements of EO 134, the terms and conditions set forth in this section are material terms of any contract resulting from this RFP:

### **5.27.1 DEFINITIONS**

For the purpose of this section, the following shall be defined as follows:

a) Contribution – means a contribution reportable as a recipient under "The New Jersey Campaign Contributions and Expenditures Reporting Act." P.L. 1973, c. 83 (C.19:44A-1 et seq.), and implementing regulations set forth at N.J.A.C. 19:25-7 and N.J.A.C. 19:25-10.1 et seq. Through December 31, 2004, contributions in excess of \$400 during a reporting period were deemed "reportable" under these laws. As of January 1, 2005, that threshold was reduced to contributions in excess of \$300.

b) Business Entity – means any natural or legal person, business corporation, professional services corporation, limited liability company, partnership, limited partnership, business trust, association or any other legal commercial entity organized under the laws of New Jersey or any other state or foreign jurisdiction. It also includes (i) all principals who own or control more than 10 percent of the profits or assets of a business entity or 10 percent of the stock in the case of a business entity that is a corporation for profit, as appropriate; (ii) any subsidiaries directly or indirectly controlled by the business entity; (iii) any political organization organized under 26 U.S.C.A. 527 that is directly or indirectly controlled by the business entity, other than a candidate committee, election fund, or political party committee; and (iv) if a business entity is a natural person, that person's spouse or child, residing in the same household.

### **5.27.2 BREACH OF TERMS OF EXECUTIVE ORDER 134**

It shall be a breach of the terms of the contract for the Business Entity to (i)make or solicit a contribution in violation of this Order, (ii)knowingly conceal or misrepresent a contribution given or received; (iii)make or solicit contributions through intermediaries for the purpose of concealing or misrepresenting the source of the contribution; (iv)make or solicit any contribution on the condition or with the agreement that it will be contributed to a campaign committee or any candidate of holder of the public office of Governor, or to any State or county party committee; (v)engage or employ a lobbyist or consultant with the intent or understanding that such lobbyist or consultant would make or solicit any contribution, which if made or solicited by the business entity itself, would subject that entity to the restrictions of EO 134; (vi)fund contributions made by third parties, including consultants, attorneys, family members, and employees; (vii)engage in any exchange of contributions to circumvent the intent of EO 134; or (viii)directly or indirectly through or by any other person or means, do any act which would subject that entity to the restrictions of EO 134.

### **5.27.3 CERTIFICATION AND DISCLOSURE REQUIREMENTS**

- 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 to any State or county political party 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 Executive Order 134 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 mean 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 Purchase Bureau website at <http://www.state.nj.us/treasury/purchase/forms.htm#eo134> , shall be provided to the intended awardee for completion and submission to the Purchase Bureau 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 Purchase Bureau Buyer, 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 Purchase Bureau website at <http://www.state.nj.us/treasury/purchase/forms.htm#eo134> , shall be provided to the intended awardee with the Notice of Intent to Award.

### **5.27.4 STATE TREASURER REVIEW**

The State Treasurer or his designee shall review the Disclosures submitted pursuant to this section, as well as any other pertinent information concerning the contributions or reports thereof by the intended awardee, prior to award, or during the term of the contract, by the contractor. If the State Treasurer determines that any contribution or action by the contractor constitutes a breach of contract that poses a conflict of interest in the awarding of the contract under this solicitation, the State Treasurer shall disqualify the Business Entity from award of such contract.

### **5.28 REQUIREMENTS OF EXECUTIVE ORDER 129**

Under the Executive Order 129 issued on September 9, 2004 (“E.O. 129”), the State shall not award a contract to a bidder that submits a bid proposal to perform services, or have its subcontractor[s] perform services, outside the United States, unless one of the following conditions is met:

- a) The bidder or its subcontractor provide a unique service, and no comparable, domestically-provided service can adequately duplicate the unique features of the service provided by the bidder or and/or its subcontractor; or
- b) A significant and substantial economic cost factor exists such that a failure to use the bidder’s and/or the subcontractor’[s] services would result in economic hardship to the State; or
- c) The Treasurer determines that a failure to use the bidder’s and/or its subcontractor’s services would be inconsistent with the public interest.

## 5.28.1 SOURCE DISCLOSURE REQUIREMENTS

Pursuant to E.O. 129, all bidders seeking a contract with the State of New Jersey must disclose:

- a) The location by country where services under the contract will be performed; and
- b) The location by country where any subcontracted services will be performed.

Accordingly, the bidder should submit with its bid proposal the Source Disclosure Certification form (Attachment 6), filled out with the sourcing information required for itself and any proposed subcontractor, identified in the Intent to Subcontract Form. If the information is not submitted with the bid proposal, it shall be submitted within five (5) business days of the State's request for the information.

**FAILURE TO SUBMIT SOURCING INFORMATION WHEN REQUESTED BY THE STATE SHALL PRECLUDE AWARD OF A CONTRACT TO THE BIDDER.**

## 5.28.2 BREACH OF CONTRACT OF EXECUTIVE ORDER 129

**A SHIFT TO OUTSOURCED SERVICES DURING THE TERM OF THE CONTRACT SHALL BE DEEMED A BREACH OF THE 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 the services outside of the United States, the contractor shall be deemed in breach of the contract, which contract shall be subject to termination for cause pursuant to Section 3.5b.1 of the NJ Standard Terms and conditions, unless the Director shall have first determined in writing that extraordinary circumstances require a shift of services or that a failure to shift the services would result in economic hardship to the State.

## 5.29 MODIFICATIONS AND CHANGES TO THE NJ STANDARD TERMS AND CONDITIONS

NJ Standard Terms and Conditions are located on the Advertised Solicitation, Current Bid Opportunities webpage <http://www.state.nj.us/treasury/purchase/bid/summary/06-X-37739.shtml>.

### 5.29.1 PATENT AND COPYRIGHT INDEMNITY

Section 2.1 of the NJ Standard Terms and Conditions is deleted and replaced with the following:

#### **2.1 Patent and Copyright Indemnity**

- a. The Contractor shall hold and save the State of New Jersey, its officers, agents, servants and employees, harmless from liability of any nature or kind for or on account of the use of any copyrighted or uncopyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of the contract.
- b. The State of New Jersey agrees: (1) to promptly notify the Contractor in writing of such claim or suit; (2) that the Contractor shall have control of the defense of settlement of such claim or suit; and (3) to cooperate with the Contractor in the defense of such claim or suit, to the extent that the interests of the Contractor and the State are consistent.
- c. In the event of such claim or suit, the Contractor, at its option, may: (1) procure for the State of New Jersey the legal right to continue the use of the product; (2) replace or modify the product to provide a non-infringing product that is the functional equivalent; or (3) refund the purchase price less a reasonable allowance for use that is agreed to by both parties.

### 5.29.2 INDEMNIFICATION

Section 2.2 of the NJ Standard Terms and Conditions, is deleted and replaced with the following:

#### **2.2 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 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 2.3 of the NJ Standard Terms and Conditions.

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

### 5.29.3 INSURANCE - PROFESSIONAL LIABILITY INSURANCE

Section 2.3 of the 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.

## 6.0 PROPOSAL EVALUATION/CONTRACT AWARD

### 6.1 PROPOSAL EVALUATION COMMITTEE

Bid proposals may be evaluated by an Evaluation Committee composed of members of affected departments and agencies together with representative(s) from the Purchase Bureau. 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 in an advisory role.

### 6.2 ORAL PRESENTATION AND/OR CLARIFICATION OF BID PROPOSAL

After the submission of bid proposals, unless requested by the State, contact with the State is limited to status inquiries only and such inquiries are only to be directed to the buyer. Any further contact or information about the proposal to the buyer or any other State official connected with the solicitation will be considered an impermissible supplementation of the bidder's bid proposal.

A bidder may be required to give an oral presentation to the Evaluation Committee concerning its bid proposal. The Evaluation Committee may also require a bidder to submit written responses to questions regarding its bid proposal.

The purpose of such communication with a bidder, either through an oral presentation or a letter of clarification, is to provide an opportunity for the bidder to clarify or elaborate on its bid proposal. Original bid proposals submitted, however, cannot be supplemented, changed, or corrected in any way. No comments regarding other bid proposals are permitted. Bidders may not attend presentations made by their competitors.

It is within the Evaluation Committee's discretion whether to require a bidder to give an oral presentation or require a bidder to submit written responses to questions regarding its bid proposal. Action by the Evaluation Committee in this regard should not be construed to imply acceptance or rejection of a bid proposal. The Purchase Bureau buyer will be the sole point of contact regarding any request for an oral presentation or clarification.

### 6.3 EVALUATION CRITERIA

The following evaluation criteria categories, not necessarily listed in order of significance, will be used to evaluate bid 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:

#### 6.3.1 THE BIDDER'S GENERAL APPROACH AND PLANS IN MEETING THE REQUIREMENTS OF THIS RFP

- A. The bidder's general approach and plans in meeting the requirements of this RFP.
- B. The bidder's detailed approach and plans to perform the services required by the Scope of Work of this RFP.
- C. The bidder's documented experience in successfully completing contracts of a similar size and scope to the work required by this RFP.
- D. The qualifications and experience of the bidder's management, supervisory or other key personnel assigned to the contract, with emphasis on documented experience in successfully completing work on contracts of similar size and scope to the work required by this RFP.
- E. The overall ability of the bidder to mobilize, undertake and successfully complete the contract. This judgment will include, but not be limited to, the following factors: the number and qualifications of management, supervisory and other staff proposed by the bidder to complete the contract, the availability and commitment to the contract of the bidder's management, supervisory and other staff proposed and the bidder's contract management plan, including the bidder's contract organizational chart.

#### 6.3.2 BIDDER'S COST PROPOSAL

For evaluation purposes, bidders will be ranked according to the total bid price located on the Price Sheet located on the Advertised Solicitation, Current Bid Opportunities webpage, <http://www.state.nj.us/treasury/purchase/bid/summary/06-x-37739.shtml>.

### **6.3.3 BID DISCREPANCIES**

In evaluating bids, 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 corrected sum of the column of figures.

### **6.4 NEGOTIATION AND BEST AND FINAL OFFER (BAFO)**

Following the opening of bid proposals, the State reserves the right, pursuant to N.J.S.A. 52:34-12(f), to negotiate: the technical services offered, the terms and conditions and/or the price of a proposed contract award with any bidder. In addition, the State reserves the right to seek a Best and Final Offer (BAFO) from one or more bidders. In response to the State's request to negotiate, bidders must continue to satisfy all mandatory RFP requirements but may improve upon their original technical proposal in any revised technical proposal. However, any revised technical proposal that does not continue to satisfy all mandatory requirements will be rejected as non-responsive and the original technical proposal will be used for any further evaluation purposes, in accordance with the following procedure.

The Evaluation Committee will conduct an initial review and determine whether and with which bidder(s) it will negotiate, and will communicate its request to each such bidder. In response, the bidder will submit any required revisions to its proposal.

In response to the State's request for a BAFO, bidders may submit a revised price proposal that is equal to or lower in price than their original submission, but must continue to satisfy all mandatory requirements. Any revised price proposal that is higher in price than the original will be rejected as non-responsive and the original bid will be used for any further evaluation purposes.

After receipt of the results of the negotiation and/or the BAFO(s), the Evaluation Committee will complete its evaluation and recommend to the Director for award that responsible bidder(s) whose bid proposal, confirming to this RFP, is most advantageous to the State, price and other factors considered.

All contacts, records of initial evaluations, any correspondence with bidders related to any request for 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.

### **6.5 CONTRACT AWARD**

Contracts shall be awarded with reasonable promptness by written notice to that responsible bidder whose bid proposal, conforming to the RFP, will be most advantageous to the State, price and other factors considered. Any or all bids may be rejected when the State Treasurer or the Director of the Division of Purchase and Property determines that it is in the public interest so to do. It is the intent of this RFP to award contracts to all responsive bidders in all categories of work (L&H, P&C and MHBAC) as noted in section 1.1 Purpose and Intent, of the RFP.



**ATTACHMENT 1 - PRICE SCHEDULES**

**ACTUARIAL SERVICES: DOBI INSURANCE PROGRAMS**

**Bid Number 06-X-37739**

Refer to [RFP Section 3.0](#) (Scope of Work) for task requirements and deliverables & [RFP Section 2.2](#) for definitions of "All Inclusive Hourly Rate" and "Firm Fixed Price" and section 4.4.4 for bidding instructions.

**Bidder's Name:** \_\_\_\_\_

**Price Schedule**  
**Life and Health**

Price Line P/L	Work to be Performed	*Est Qty Yr 1	Firm Fixed Unit Price Yr 1	Sub Ttl Yr 1	P/L	*Est Qty Yr 2	Firm Fixed Unit Price Yr 2	Sub Ttl Yr 2	P/L	*Est Qty Yr 3	Firm Fixed Unit Price Yr 3	Sub Ttl Yr 3
1	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr PRINCIPAL FELLOW	100	\$	\$	37	100	\$	\$	73	100	\$	\$
2	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr PRINCIPAL ASSOCIATE	10	\$	\$	38	10	\$	\$	74	10	\$	\$
3	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr PARTNER ASSOCIATE	10	\$	\$	39	10	\$	\$	75	10	\$	\$
4	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr PARTNER FELLOW	10	\$	\$	40	10	\$	\$	76	10	\$	\$
5	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr SENIOR MANAGER FELLOW	150	\$	\$	41	150	\$	\$	77	150	\$	\$
6	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr SENIOR MANAGER ASSOCIATE	10	\$	\$	42	10	\$	\$	78	10	\$	\$

**Price Schedule**  
**Life and Health cont'd**

Price Line P/L	Work to be Performed	*Est Qty Yr 1	Firm Fixed Unit Price Yr 1	Sub Ttl Yr 1	P/L	*Est Qty Yr 2	Firm Fixed Unit Price Yr 2	Sub Ttl Yr 2	P/L	*Est Qty Yr 3	Firm Fixed Unit Price Yr 3	Sub Ttl Yr 3
7	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr SENIOR ASSOCIATE	10	\$	\$	43	10	\$	\$	79	10	\$	\$
8	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr MANAGER FELLOW	10	\$	\$	44	10	\$	\$	80	10	\$	\$
9	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr MANAGER ASSOCIATE	10	\$	\$	45	10	\$	\$	81	10	\$	\$
10	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr ACTUARIAL STAFF ASSOCIATE	10	\$	\$	46	10	\$	\$	82	10	\$	\$
11	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Hr ACTUARIAL STAFF – ACTUARIAL STUDENT	10	\$	\$	47	10	\$	\$	83	10	\$	\$
12	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.2, Scope of Work – Price / Meeting Hr ATTENDANCE AT MEETING (In addition to Regular Hourly Rate)	25	\$	\$	48	25	\$	\$	84	25	\$	\$
<b>Total Bid Price – Life and Health (Price Lines 1 -12)</b>				\$				\$				\$

Total shall be the total for year 1, year 2, and year 3 in each row.

Refer to [RFP Section 3.0](#) (Scope of Work) for task requirements and deliverables & [RFP Section 2.2](#) for definitions of "All Inclusive Hourly Rate" and "Firm Fixed Price" and section 4.4.4 for bidding instructions.

Bidder's Name: \_\_\_\_\_

**Price Schedule**  
**Property and Casualty**

Price Line P/L	Work to be Performed	*Est Qty Yr 1	Firm Fixed Unit Price Yr 1	Sub Ttl Yr 1	P/L	*Est Qty Yr 2	Firm Fixed Unit Price Yr 2	Sub Ttl Yr 2	P/L	*Est Qty Yr 3	Firm Fixed Unit Price Yr 3	Sub Ttl Yr 3
13	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr PRINCIPAL FELLOW	100	\$	\$	49	100	\$	\$	85	100	\$	\$
14	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr PRINCIPAL ASSOCIATE	10	\$	\$	50	10	\$	\$	86	10	\$	\$
15	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr PARTNER ASSOCIATE	10	\$	\$	51	10	\$	\$	87	10	\$	\$
16	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr PARTNER FELLOW	10	\$	\$	52	10	\$	\$	88	10	\$	\$
17	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr SENIOR MANAGER FELLOW	150	\$	\$	53	150	\$	\$	89	150	\$	\$
18	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr SENIOR MANAGER ASSOCIATE	10	\$	\$	54	10	\$	\$	90	10	\$	\$
19	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr SENIOR ASSOCIATE	10	\$	\$	55	10	\$	\$	91	10	\$	\$

**Price Schedule**  
**Property and Casualty cont'd**

Price Line P/L	Work to be Performed	*Est Qty Yr 1	Firm Fixed Unit Price Yr 1	Sub Ttl Yr 1	P/L	*Est Qty Yr 2	Firm Fixed Unit Price Yr 2	Sub Ttl Yr 2	P/L	*Est Qty Yr 3	Firm Fixed Unit Price Yr 3	Sub Ttl Yr 3
20	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr MANAGER FOLLOW	10	\$	\$	56	10	\$	\$	92	10	\$	\$
21	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr MANAGER ASSOCIATE	10	\$	\$	57	10	\$	\$	93	10	\$	\$
22	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr ACTUARIAL STAFF ASSOCIATE	10	\$	\$	58	10	\$	\$	94	10	\$	\$
23	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work – Price / Hr ACTUARIAL STAFF – ACTUARIAL STUDENT	10	\$	\$	59	10	\$	\$	95	10	\$	\$
24	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.1, Scope of Work - Price / Meeting Hr ATTENDANCE AT MEETING (In addition to Regular Hourly Rate)	25	\$	\$	60	25	\$	\$	96	25	\$	\$
<b>Total Bid Price – Property and Casualty (Price Lines 13 - 24)</b>				\$				\$				\$

Total shall be the total for year 1, year 2, and year 3 in each row

Refer to [RFP Section 3.0](#) (Scope of Work) for task requirements and deliverables & [RFP Section 2.2](#) for definitions of "All Inclusive Hourly Rate" and "Firm Fixed Price" and section 4.4.4 for bidding instructions.

**Bidder's Name:** \_\_\_\_\_

**Price Schedule**  
**Mandatory Health Benefits Advisory Commission (MHBAC)**

Price Line P/L	Work to be Performed	*Est Qty Yr 1	Firm Fixed Unit Price Yr 1	Sub Ttl Yr 1	P/L	*Est Qty Yr 2	Firm Fixed Unit Price Yr 2	Sub Ttl Yr 2	P/L	*Est Qty Yr 3	Firm Fixed Unit Price Yr 3	Sub Ttl Yr 3
25	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr PRINCIPAL FELLOW	300	\$	\$	61	300	\$	\$	97	300	\$	\$
26	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr PRINCIPAL ASSOCIATE	50	\$	\$	62	50	\$	\$	98	50	\$	\$
27	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr PARTNER ASSOCIATE	10	\$	\$	63	10	\$	\$	99	10	\$	\$
28	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr PARTNER FELLOW	10	\$	\$	64	10	\$	\$	100	10	\$	\$
29	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr SENIOR MANAGER FELLOW	150	\$	\$	65	150	\$	\$	101	150	\$	\$
30	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr SENIOR MANAGER ASSOCIATE	10	\$	\$	66	10	\$	\$	102	10	\$	\$
31	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr SENIOR ASSOCIATE	10	\$	\$	67	10	\$	\$	103	10	\$	\$

**Price Schedule**  
**Mandatory Health Benefits Advisory Commission (MHBAC) cont'd**

Price Line P/L	Work to be Performed	*Est Qty Yr 1	Firm Fixed Unit Price Yr 1	Sub Ttl Yr 1	P/L	*Est Qty Yr 2	Firm Fixed Unit Price Yr 2	Sub Ttl Yr 2	P/L	*Est Qty Yr 3	Firm Fixed Unit Price Yr 3	Sub Ttl Yr 3
32	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr MANAGER FOLLOW	10	\$	\$	68	10	\$	\$	104	10	\$	\$
33	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr MANAGER ASSOCIATE	10	\$	\$	69	10	\$	\$	105	10	\$	\$
34	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr ACTUARIAL STAFF ASSOCIATE	5	\$	\$	70	5	\$	\$	106	5	\$	\$
35	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Hr ACTUARIAL STAFF – ACTUARIAL STUDENT	10	\$	\$	71	10	\$	\$	107	10	\$	\$
36	Inclusive fully loaded labor cost for work, detailed in RFP in section 3.3, Scope of Work – Price / Meeting Hr ATTENDANCE AT MEETING (In addition to Regular Hourly Rate)	5	\$	\$	72	5	\$	\$	108	5	\$	\$
<b>Total Bid Price – MHBAC (Price Lines 25 – 36)</b>				\$				\$				\$

<b>Total Bid Price – Life and Health -1</b>	<b>\$</b>
<b>Total Bid Price – Property and Casualty - 2</b>	<b>\$</b>
<b>Total Bid Price – MHBAC - 3</b>	<b>\$</b>
<b>TOTAL FOR CONTRACT</b>	<b>\$</b>

- Note: Estimated quantities for all categories are for bidding purposes only. The Contractor shall be paid on the actual number of hours of work performed, submitted and approved by the State Contract Manager. The total cost to perform each unit of work under this contract shall be included in the Firm Fixed Unit Prices. The contractor will not be eligible for payments beyond those specified on this price schedule.