



INVITATION TO NEGOTIATE
For
HEALTH CHOICES:
A Small Business Health Insurance Marketplace

Florida Health Choices, Inc.
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I. INTRODUCTION

This solicitation is issued by Florida Health Choices, Inc. (Corporation) seeking a Third Party Administrator (Administrator). Because of the inherent potential for conflicts of interest, no insurer, health plan, or dental plan may hold a contract that issues from this procurement. The final authority on all matters related to this procurement rests with the Corporation.

The Corporation is committed to assuring a fair, open, and rigorous competition for the award of this contract and will use a competitive negotiation process to select a third party administrator. The competitive negotiation process is not a request for proposal. Rather, it is a dynamic competitive process through which the Corporation can evaluate and test, through a negotiation process, the strengths and weaknesses of vendors and their proposals, and make a final selection based on the selection criteria described in this document. The goal of the process is to negotiate the maximum level of service available for a competitive price. Throughout this Invitation to Negotiate (ITN), bidders are encouraged to offer alternative methods of how to provide the Corporation's desired outcomes by taking advantage of business solutions not identified by the Corporation.

The Corporation reserves the right to accept proposals as submitted. Bidders may be asked to enter into negotiations with the Corporation, to discuss any modification requested by the bidder or the Corporation, change the proposed service level or price, or to improve upon the language for the contract.

The Corporation will organize a team to conduct an analytical review and evaluation of each bidder proposal consistent with the Corporation's selection criteria. The Corporation is the sole judge of proposed changes in the scope of services and proposed alternative methods for achieving desired contractual outcomes.

The selected Administrator will be responsible for performing designated duties and functions in support of the Corporation and its programs. The six major components of this solicitation include:

- Customer Contact Center
- Web-based Choice Portal
- Eligibility Determination
- Enrollment Management
- Financial Services
- On-line Calculator

A seventh optional component is the Outreach Management System.

II. DESIGNATED CONTACTS

Florida Health Choices, Inc. and its Board of Directors designate to whom all communications must be made. The allowable contacts related to a variety of subject areas are identified below:

Letters of Interest:

ITN2010@myfloridachchoices.org

Participation in Bidder's Conference:

ITN2010@myfloridachchoices.org

Submission of Questions:

ITN2010@myfloridachchoices.org

Submission of Written Proposals:

Angela Triplett
Brewton Plante, P.A.
225 South Adams Street, Suite 250
Tallahassee, Florida 32301

Withdrawal of Proposals:

Angela Triplett
Brewton Plante, P.A.
225 South Adams Street, Suite 250
Tallahassee, Florida 32301

Optional Debriefing after Contract Award:

Rose M. Naff, CEO
Florida Health Choices, Inc.
225 South Adams Street, Suite 250
Tallahassee, Florida 32301
ceo@myfloridachchoices.org

All other:

ITN2010@myfloridachchoices.org

III. 2010 CALENDAR OF EVENTS (Subject to Change)

Procurement Schedule

Release Date:		July 15
Written Questions Due:	5:00 p.m.	July 27
Registration for Bidder's Conference: (Optional)	5:00 p.m.	July 28
Bidder's Conference: (Optional)	11:00 a.m.	July 29
Written Response to Questions:		August 2
Letters of Interest Due: (Optional)	5:00 p.m.	August 6
Proposal Submission:	2:00 p.m.	August 27

Review Schedule

Compliance Review:	August 27-30
Technical Review Begins:	August 31 –September 8
Notice of Selection for Oral Interview:	September 9
Oral Interviews:	September 15-17
Notice of Selection for Site Visit:	September 20
Negotiations Part I:	September 21-24
Site Visits:	September 27 – October 1
Negotiations Part II:	October 6-8
Finals:	October 14
Award Date:	October 15

Proposed Implementation Schedule

Quick Start – Phase One	November 2010
Mid Term – Phase Two	2011 and 2012
Long Term – Phase Three (if required)	To Be Determined

IV. BACKGROUND

A. State of Florida

The Florida Legislature created Florida Health Choices, Inc. during 2008 by enacting Section 408.910, Florida Statutes. Current law can be found in Exhibit A of this ITN.

In establishing the Corporation and the Florida Health Choices Program, the Florida Legislature found that a significant number of the residents of this state did not have adequate access to affordable, quality health care.

Specifically, the Florida Health Choices Program was established to:

- Expand opportunities for Floridians to purchase affordable health insurance and health services.
- Preserve the benefits of employment-sponsored insurance while easing the administrative burden for employers who offer these benefits.
- Enable individual choice in both the manner and amount of health care purchased.
- Provide for the purchase of individual, portable health care coverage.
- Disseminate information to consumers on the price and quality of health services.
- Sponsor a competitive market that stimulates product innovation, quality improvement, and efficiency in the production and delivery of health services.

The Corporation elects to implement the State program in two or three phases:

The Quick Start Phase is intended to launch a limited offering and the chosen Administrator will provide a minimal scope of services. The Corporation intends that the chosen Administrator will implement this phase during the current calendar year. An important consideration for the Corporation's evaluation will be the availability and adaptability of systems and other resources to support the Quick Start Phase.

The Mid-Term Phase will expand the type and number of products and services offered through the program and the full scope of services will be required of the chosen Administrator. The Corporation intends that the Administrator will phase in the additional services and enhanced functionality during calendar years 2011 and 2012 on a schedule to be proposed in response to this ITN. An important consideration in the Corporation's evaluation will be the innovation and scalability of the solutions offered and proven performance.

The Long-Range Phase is an unspecified period during which changes in state law may impact upon the operation of the Corporation and its Administrator. Florida is a dynamic, diverse state with a long history of innovative government programs. Program modifications and operational changes are to be expected. This phase and its elements are undefined and bidders are not required to offer a solution or price for it. However, an important consideration in the Corporation's evaluation is the proven agility and adaptability of the bidding organization, proven performance with large scale programs and proven track record with positive results in implementation and project management.

B. Potential Impact of Health Care Reform

Bidders are advised that Florida Health Choices, Inc. is not a State designated American Health Benefit Exchange (AHBE Exchange) for individuals or a Small Business Health Options Programs (SHOP Exchange) as defined by the Patient Protection and Affordable Care Act. Likewise, the program the Corporation implements in the Quick Start and Mid-Term phases is not subject to federal approval.

If, at any time, the Corporation and its contracted Administrator are required to conform to the requirements of the Patient Protection and Affordable Care Act, revisions would be necessary. The details of any revisions are unknown at this time. However, the following would be likely requirements:

- Significant expansion of the data required to be collected at the time of application
- Adoption of a standardized format for web-based presentation of plan options
- Screening and referral
- Acceptance of electronic referrals
- Expanded requirements for eligibility determination
- Adoption of a standardized application form
- Standardization of plan options and benefits
- Significant electronic interfaces with other state and federal agencies
- Increased reporting requirements

The above list is intended for information purposes only. Interested bidders are responsible for reviewing any federal requirements that may impact the Florida Health Choices Program in the future.

V. TARGET POPULATION

Florida law outlines the target population for enrollment in the Florida Health Choices Program. Participation is voluntary and, while not specifically limited to the following list of employers and individuals, the Corporation intends to target the organizations named in Section 408.910, Florida Statutes:

- Employees of enrolled counties designated as fiscally constrained
- Employees of enrolled school districts in fiscally constrained counties
- Employees of enrolled municipalities having fewer than 50,000 residents
- Employees of enrolled statutory rural hospitals
- Employees of enrolled employers that have 1 to 50 employees

Other individuals that may enroll include:

- Employees of the State of Florida not eligible for state health benefits
- Retirees of the State of Florida
- Medicaid reform participants who select the opt-out provision of Medicaid Reform

The State of Florida may expand this list of targeted employers and individuals at its discretion and those affected by the Gulf Oil Spill are of special concern at this time.

The Quick Start Phase will target counties designated as fiscally constrained and their school districts, municipalities having fewer than 50,000 residents, and statutory rural hospitals. During this phase the Corporation intends to launch a small scale solution capable of serving fewer than 5,000 participants.

The Mid-Term Phase will first expand the initiative to include employers with 1 to 50 employees, and may also include state retirees, state employees who are not eligible for state health benefits, and Medicaid reform participants who opt-out. Based upon the experience of the Massachusetts Connector with its small employer program offering and analysis of Florida's distribution of workforce among small employers, the Corporation estimates it will serve as many as 68,000 participants statewide during this phase.

The Long-Range Phase could include larger employers or individuals not enrolled through an employer group and other populations that may be identified by the State of Florida. The potential scale is significantly larger than in the previous phases.

VI. Offerings

The Corporation, through the centralized marketplace, will offer various products that enable employers and employees to pay for health care. The offerings include, but are not limited to, health insurance plans, health maintenance organization plans, prepaid services, service contracts, and flexible spending accounts. The program will also provide administrative services to participating employers. In implementing the services described in this ITN, the Administrator will segregate employer offerings from employee offerings.

Employer offerings may include:

- Payroll services
- Assistance in seeking approval of cafeteria plans
- Management of individual benefit accounts
- Worker's Compensation and other business insurance products

Employee offerings may include:

- Health insurance and health plan products
- Dental, vision and other limited benefit plans
- Life insurance
- Flexible spending accounts
- Public programs
- Wellness programs

The Quick Start Phase may initially include a limited offering with fewer than ten products and services. A focus on products that can be offered statewide is a possibility.

During **The Mid Term Phase** the Corporation intends to increase the scope and range of offerings in subsequent phases. The complexity of offerings and, therefore, their comparisons, will increase during this phase. Up to twenty offerings are anticipated and geographic variation in offerings is likely.

The Long-Range Phase further increases the complexity of offerings when products and services number twenty or more.

VII. PROJECT SPECIFICATIONS

A. Corporate Experience, Background and Capacity

The selected Administrator and its subcontractors must have experience in benefit administration, operating customer contact centers, web-based choice portals, eligibility determination systems, enrollment management systems and experience managing complex data bases. It must have sufficiently demonstrated the corporate financial capacity to provide the services defined in this procurement.

The experience must include processing applications for enrollment in insurance-based programs. The experience must be sufficiently large scale so that the bidder's ability to operate can be judged on relevant experience. Proven positive performance with complex programs administered in the State of Florida or in other large and diverse states is desired.

The bidder must provide five references and information on experience in the last five years that demonstrate the background and ability to provide the tasks and functions described in this procurement.

While experience in Florida is not required, the bidder must provide a description of any projects undertaken in the last ten years that involved activities with the State of Florida, its agencies, or entities created by the State of Florida.

B. Staff Qualifications

The bidder shall ensure that the project and each of its components is adequately staffed with experienced, knowledgeable personnel who can meet the responsibilities outlined in the ITN. It is important that staff turnover be kept to a reasonable level.

Staff must include a full-time Project Manager with executive level experience in fields related to this ITN.

Supervisory staff must possess knowledge and expertise in their assigned area and have supervisory experience. Supervisory staffing must be sufficient to ensure proper direction and oversight of employees. Staff must exhibit strong communication and interpersonal skills. The Administrator will demonstrate the ability to employ bilingual and/or multi-lingual staff.

The Administrator will employ and train staff necessary to complete the required tasks at the performance standard levels specified. The Administrator must ensure that staff is trained on an on-going basis.

C. Operate a Statewide Customer Contact Center

The Corporation, through the Administrator, will provide customer service via a toll-free hotline, email and regular U.S. mail service. The Statewide Customer Contact Center (The Center) will:

- Assist employers with establishment and administration of cafeteria plans
- Disseminate information to consumers on the price and quality of services available
- Provide access to account information
- Assist individual participants with managing available resources
- Respond to inquiries from employers, employees and buyer's representatives
- Distribute materials
- Provide general program information and answer inquiries about eligibility and enrollment
- Provide account payment and coverage verification
- Return calls left on voice mail
- Refer calls to a participating buyer's representative as appropriate
- Return calls requiring additional research

Eligible participants will receive assistance with assessing the benefits and limits of each product, including information necessary to distinguish between policies offering creditable coverage and other products available through the program.

Professional, accurate, courteous customer service is a high priority for the Corporation. The Administrator must be prepared to accurately and timely process all incoming correspondence, all outgoing correspondence, and all telephone or email inquiries.

The Administrator must have sufficiently trained and knowledgeable staff to operate a Center. In cases in which an inquiry requires research by the Corporation staff, the Center will refer the questions, by phone and in some cases in writing to designated staff at the Corporation.

The Administrator will be required to locate the Center in the State of Florida and the schedule for accomplishing this will be negotiated.

1. Accessibility and Staffing

The Center must provide customer service days and hours of operation which are conducive to participant needs and include regular business hours on Monday through Friday, from 8:00 a.m. until 6:00 p.m., Eastern Standard Time, excluding approved holidays. The Center must provide the option of a live call agent for all callers during these hours of operation. The option to leave a voice mail is also desired. Note: the Corporation follows the holiday schedule designated by the State of Florida with the addition of Good Friday.

The Center will manage customer communications in a professional, culture and language sensitive manner. At a minimum, the Center must make sufficient numbers of English and Spanish speaking staff during all hours of Center operations.

A translation service such as AT&T Language Line must be available for languages not offered by the Center staff. A solution meeting the needs of hearing-impaired callers is also required.

The Administrator must have the ability to communicate timely, accurately and efficiently with non-English speaking callers, and callers that are hearing impaired. In addition, the Center's staff must be culturally sensitive and have strong communication skills to communicate effectively with a diverse population. The Administrator is encouraged to suggest to the Corporation other communication options in order to better communicate with families who have disabilities.

The Center will support web-based means by which employers, buyer's representatives, applicant employees or participants can apply, report changes or update account information, and re-new on-line. Web-based chat functionality provided by the Administrator is of interest to the Corporation.

The Administrator may be required to increase the number of incoming customer service lines in order to meet service standards during periods of high call volume.

2. Integrated Voice Response and Skill-Based Routing

The Center must use an integrated voice response system (IVR) to provide the initial message to callers. Bidders are invited to propose using IVR in other ways that have been shown to be effective within the scope of work in this solicitation such as providing

a twenty-four hours a day, seven days a week, automated system that provides general account and payment information to callers.

At a minimum, the IVR will provide an English and Spanish option. The Corporation may require a third IVR language option in the future at no additional cost to the Corporation.

3. Contact Management

The Center must implement a Customer Interaction Management (CIM) system that shall log, track, refer and record resolution of all customer contacts within its operation. The contact types shall include but are not limited to telephone, Interactive Voice Response (IVR), Automatic Call Distribution (ACD), e-mail, web-based interactions and live agent assistance via the web. The CIM system shall provide the Center with a “single view” of encounters for a customer, applicant, enrollee or other inquirers. The CIM system shall track contacts from entry through final resolution. The CIM system will record and maintain at a minimum: member identification information, the nature of each inquiry or issue, the date and type of contact, status and resolution of each contact, and date of resolution. The Administrator should have the capability of generating ad hoc reports for strategic planning and analysis with the goal of improving customer service.

Call Agents will place notes in the CIM system for each phone call or account encounter (from any type of correspondence or by phone call from any person/entity). The notes shall explain each topic discussed during the encounter, resolution of each topic, and identify the staff that handled the encounter.

4. Accept Payments

The Center will accept and accurately processing payments over the phone or through the IVR at the caller’s request.

5. Correspondence

The Center shall make information about each product and service available through the program in the form of printed materials and distribute requested materials in a timely manner.

The Center will process incoming correspondence from all locations including applicant employers and employees, enrolled employers and participants, buyer’s representatives and others.

The Center will manage and process any outgoing mail. Outgoing correspondence will be mailed using first class mail and will be available, at a minimum, in English and Spanish. The Corporation may require a third language option in the future at no additional cost to the Corporation.

The Center will update information related to address changes and will manage and redirect any outgoing mail that is returned as undeliverable.

The Corporation will assist the Center in developing appropriate letter and form templates intended to address the majority of circumstances requiring outgoing correspondence and to assist an employer with establishment of a cafeteria plan. All letter and form templates are subject to the approval of the Corporation prior to their use and will be customizable to address the intended recipient.

The Center will maintain accurate copies of all incoming and outgoing correspondence and furnish copies to the Corporation upon request.

6. Handling Complaints

The Center will accept information on complaints about the program and provide written information on complaints to the Corporation.

7. Quality Assurance

The Center will implement and maintain a quality assurance (QA) program within the Center. The QA program will monitor calls, email and chat sessions, to evaluate call agents on the accuracy of information provided, quality of call handling practices and to identify agents or subject areas for additional or revised training.

The Corporation shall have the right to require of any staff who the Corporation determines is rude, coarse, or impolite.

D. Establish and Maintain a Web-Based Choice Portal

The Administrator will design, deploy and maintain a web-based choice portal with a wide range of functions. The Portal presentation will be customized to utilize the Corporation's logo, preferred color schemes, and content approved by the Corporation. The functions will include:

- Provide information to interested persons about available offerings and participating vendors

- Facilitate eligibility and enrollment of:
 - Employers
 - Employees of enrolled employers
 - Buyer's Representatives
- Allow comparison of benefit and plan options utilizing a standardized presentation of information

Information about each product and service available through the program shall be made available through this interactive website.

The Portal will track all user accesses, additions, deletions, and modifications.

1. Providing Information and Access

The Portal will consist of a publicly available main page from which users will select multiple functional pages. Informational page groups may include:

- Public access pages with general program and eligibility information
- Applicants
- Participants
- Buyer's representatives
- Health maintenance and wellness

2. Presentation of Plan Options

The presentation of plan and service options shall be limited to those approved by the Corporation and will be organized in such as fashion to allow comparison when reasonable comparisons exist. The purpose is to allow the eligible participant to search through plan and service offerings, based on a variety of search criteria to identify the product or service that best fits their individual needs.

The presentation options will permit the user to identify options available in their geographic area and may also organize the options using criteria selected by the user. Some examples might include:

- Plan or benefit type
- Monthly premium amounts
- Out of pocket estimates
- Carrier name
- Coverage groups (Individual, Individual + 1, Family)

- Participating provider or pharmacy

3. On-line Applications

In addition to accepting applications through the mail, the Administrator will accept applications through an On-line process. The Corporation estimates that the on-line method of receiving applications will be the preferred method chosen by applicants.

The information required at the time of application will be developed by the Corporation and revisions are likely as the program matures.

The Corporation prefers that the on-line application allow the user to suspend the session and resume completing the application at a later time. The on-line application should be formatted with simple navigation designed to minimize redundant data entry. Drop down options for completing questions are encouraged. The application may present follow-up questions to certain items depending on the answer provided by the applicant.

If the Corporation determines that any information collected at the time of application requires documentation, the on-line application process will inform the user of the documents required and method of submission. The bidder is required to have a subsequent process for obtaining documents from the applicant, manage the documents, and link them to the application. A solution that includes providing the user with the ability to attach supporting documentation to the on-line application, and which bypasses a separate transmission via mail or email, is of interest to the Corporation.

The on-line application will accommodate multiple simultaneous users.

4. On-line Renewal

At least annually, participants will be offered the opportunity to change their selected choice plans or services. During this period, participants will be asked to update information, select new options or change coverage levels. The web-based choice portal shall support an on-line renewal process.

5. Account Access and Self-Maintenance

A solution that permits enrolled employers, participants and the buyer's representatives to access their account details and/or self-maintain certain information such as updating contact information is preferred.

6. Capture User Data and Report

The Administrator will capture user data and report to the Corporation. Reported elements may include number of page hits, number of unique viewers, and other relevant statistics. Report frequency is at least monthly.

7. Availability

The Administrator shall ensure that the Portal is available for user access no less than 98.75% of the time. The Corporation recognizes that updates and routine maintenance are necessary occurrences and requires that the Administrator schedule down time in consultation with the Corporation.

8. Quality Assurance

The Administrator will be responsible for performing quality checks and address the Portal performance. In consultation with the Administrator, the Corporation will develop reasonable standards of performance that are intended to meet user performance expectations.

E. Eligibility Determination

A system to reliably determine eligibility of employers, their employees and buyer's representatives is required. Eligibility rules may vary in later phases and a flexible solution is required.

1. Eligibles and Eligibility Rules

The criteria to be used to determine eligibility is complex and subject to modification as the program matures. Rules for use in determining eligibility will include but are not limited to the following:

- Eligibility of employers – The Corporation may develop policies establishing incremental open enrollment periods based on the type or size of employer, geographic area or any other method to manage entry into the program. After an eligible employer is enrolled, the Corporation envisions an employer will be able to enter employee and employer contribution information.
- Employees of eligible employers – Employees of enrolled employers will be provided with a specified period of time during which they may elect and their plan and service options. Current law prescribes the election period as 60 days after the employee’s associated employer enrolls in the program. After the expiration of the election period, the employee may still enroll however, their choices are more limited.
- Subject to change - The Corporation reserves the right to establish other categories of eligible persons and additional eligibility criteria. These requirements are also subject to change by amendment to current law and a flexible, easily modified eligibility solution is necessary. Additional criteria may include income, residency, citizenship, geographic area, age, or participation in other programs.

2. Applications

Applications for enrollment will be accepted by the Administrator by electronic means through on-line applications or through paper applications. An application may be submitted by the employer, employee or a buyer’s representative. A method to accept applications over the phone is of interest to the Corporation.

The application elements will be developed by the Corporation in consultation with the Administrator.

3. Application processing

Timely and accurate processing of information submitted via the on-line or paper application using eligibility criteria established by the Corporation is required.

4. Determinations

Upon determination of eligibility, the information collected during the eligibility process will generate an account for the applicant employer, employee or buyer's representative.

5. Determination Correspondence

A determination of eligibility will generate correspondence to the applicant confirming the outcome. Correspondence transmitted by U.S. mail or electronic means is permitted provided a copy of all correspondence is maintained and retrievable.

A method to inform the enrolled employer of eligibility outcomes for associated employees is desired.

The Corporation will assist the Administrator in developing appropriate letter templates communicating eligibility outcomes. All letters are subject to the approval of the Corporation prior to their use and will be customizable to address the intended applicant.

The Administrator will maintain accurate copies of all incoming and outgoing correspondence and furnish copies to the Corporation upon request.

6. Referrals

The Corporation was established to expand opportunities for Floridians to purchase affordable health insurance and health services. Cooperation with, and the offering of, other state-administered affordable care options may be required at the discretion of the Board of Directors. Two types of referrals may be required:

- Referrals To others – To the extent the Corporation elects to partner with other health care programs, the Administrator will support additional screening and referral of individuals through electronic means. Any screening requirements, frequency and method of transmission, and referral formatting will be established by the receiving program.
- Referrals from others – In establishing cooperation with other state-administered health care programs, the Corporation may also require the Administrator to support and accept electronic referrals from other state-administered programs for determination of eligibility and subsequent

enrollment in the Florida Health Choices Program. (See also: Outreach Management System.)

F. Enrollment Management

The Administrator shall be responsible for designing, programming, testing, installing, and maintaining a comprehensive, automated, enrollment management system (the System) to provide the core solution the Corporation is seeking.

1. System Design

The Corporation must approve the design of the System. The Administrator's System shall have the capabilities described below:

- Establish and maintain accounts for enrolled participants and their dependents
- Menu-driven records retrieval
- Security measures to meet standards of the Health Insurance Portability and Accountability Act (See also: Confidentiality)
- Cancellation/reinstatement function
- Financial services (See also: Financial Services)
- Electronic referral capability (import and export)
- Electronic screening capability for other state programs
- Electronic matching
- Insurer, plan or service provider assignment and lock-in (In this context lock-in means the participant is assigned the chosen vendor until the next choice period and may not change insurers except under special circumstances.)
- Renewal processing
- Transmission reconciliation
- File linking (Linking scanned application/renewal images to the related electronic employer and participant accounts)
- Account maintenance
- Billing and payment options
- Correspondence generation
- Account history maintenance
- Ability to perform manual overrides
- Report generation
- Account notation (Allows authorized users to add a note to a participant account that can be viewed immediately when someone accesses the account record.)

- Late/delinquent payment notification
- Outgoing correspondence production, mailing, and history maintenance
- Mailing of Notices of Privacy Practices, including the process by which the Administrator ensures its distribution complies with federal and state laws and regulations

2. Corporation Access

The Corporation is also interested in the following:

- On-line access to the System for Corporation staff. At present, this includes 1 staff member, but the Administrator must plan and allow for growth from year to year. The Corporation will determine the level of access for each user. The Administrator must have a system for approving new users with the appropriate access and for reviewing all other users on a regular schedule. At present, the Corporation's user is located in Tallahassee, Florida.
- A back-up method for the Corporation to receive data if the regular access method is temporarily disabled
- On-line or other electronic method of the Corporation viewing images associated with an account

3. Content Changes and System Changes

When directed by the Corporation, the Administrator must modify its System to accommodate new programs and requirements including but not limited to, revising insurer offerings, insurer rate changes, and revising employer or third party contributions.

The Administrator must also make changes as directed by the Corporation due to changes in federal or state law or regulation or on any other basis, at the discretion of the Corporation. The Administrator must coordinate system change requests with the Corporation; however, the Corporation will determine the priority of system changes.

The Corporation anticipates numerous changes to the System over its life. Many of the changes may be routine and others may be much larger due to changes in state or federal law or Corporation policy. The Administrator must maintain an analysis, programming, testing and auxiliary staff to perform up to 3,000 hours of work per year, over and above the implementation of ITN requirements and maintenance work described in this ITN at no additional charge to the Corporation. This unit will work on

priority projects determined by the Corporation. The Administrator is responsible for supervision of the staff. All hours worked will be separately recorded and reported. These 3,000 hours may not be used for system implementation, maintenance, operation, or corrections as these are the responsibility of Administrator.

4. Transmission of Data

The Administrator will make electronic transmissions of participant information to their choice of insurer, health plan, or other service providers approved by the Corporation in a format to be determined. The Corporation proposes one regular transmission of data to each provider each month and one supplemental transmission.

At least quarterly, electronic transmission of enrollment data to the Corporation's evaluation and research subcontractor will be required.

The Administrator must be able to send and receive files to and from any authorized source by all of the following methods:

- Bulletin board.
- Compact disk.
- File Transfer Protocol (FTP) site that complies with the requirements of HIPAA, and any subsequent and other applicable state or federal laws and regulations as those relate to the Corporation's data
- Encrypted email that complies with the requirements of HIPAA, and any subsequent and other applicable state or federal laws and regulations as those relate to the Corporation's data
- As technology advances, the Administrator can provide alternative transmission methods for approval by the Corporation

The Administrator will provide a data dictionary to the Corporation for approval prior to implementation, and must provide any changes to the data dictionary for the Corporation's approval prior to implementing the change.

5. Account Maintenance

The Administrator will be responsible for maintenance of existing accounts. At a minimum, the Administrator's account maintenance system shall accommodate all of the features listed below:

- Changes in contact information
- Process changes in vendor choice

- Account update due to change in family composition (Add/remove a family member.)
- Account terminations (due to death or disenrollment)
- Linking of updated or duplicate applications and correspondence received for existing accounts
- Acceptance of special choice changes (as permitted by the Corporation) and annual choice changes during renewal periods
- Transfer enrollment to another insurer or service provider when a vendor withdraws from the program or when the participant elects a new choice
- Electronic application of changes in account data as notified by the employer or participant
- Transmittal of participant data to chosen plans and service providers in a format and frequency that will be determined by the Corporation
- File transfers will be electronically time and date stamped and archived
- All file transfers will be confirmed and reconciled
- Provide verifications to vendors
- Research documents received by the Corporation or the Administrator
- Send confidentiality forms to participants that allows a third party to access but not change account information
- Process returned mail and update address changes received from the U.S. Postal Service.
- Continuing eligibility verification
- Vendor and other third party transmissions including referrals to and from other state programs at the Corporation's option
- A renewal process

6. Coverage and Services

The Administrator shall maintain complete information on the offerings including effective dates, cancellations, and reinstatements by service or provider selected.

G. Financial Services

The Administrator will calculate and facilitate the collection of participant and third party contributions toward the cost of multiple program offerings. Once collected, and based upon remittance reports generated by the Administrator, the Corporation will distribute the appropriate amount to the recipient insurer and other providers of program services.

The Administrator is responsible for maintaining all financial activity on employer and participant accounts. The Administrator shall maintain account payment history and account coverage history, including manual debits for retroactive enrollment, premium credits and reimbursements as such occur on accounts. The Administrator shall provide the following financial services:

1. **Segregation of Financial Systems** - The Administrator is required to establish and maintain a separate accounting function for the Florida Health Choices program. All financial documentation and records are to remain segregated from any other business maintained by the Administrator.
2. **Segregation of Accounts** – The Administrator will deposit all funds received in bank accounts established and controlled by the Corporation. Funds may not be deposited in accounts controlled by the Administrator or comingled with any other funds.
3. **Premium Calculation** – Based upon information collected as to participant choice, and contribution amounts designated by the employer, the Administrator will calculate the amount of funds due from each source for each participant. The Administrator will make the detail available to enrolled employers and aggregate the total amount due from the employer for the payroll frequency established by the employer.
4. **Premium Collection** - Methods of accepting automated and on-line payments that are most convenient for employers are encouraged. Other options for premium collection may include checks, automatic deductions from checking accounts, automatic deductions from credit card accounts and any other payment methods accepted by the Administrator.
5. **Payment Processes** - Timely and accurate processing of premium payments is required to ensure timely and accurate enrollment occurs, including any customized payment services such as payroll deduction. Manual debits shall be applied when circumstances meet criteria established by the Corporation.
6. **Returned Payment Processing** - Timely and accurate processing of returned payments (insufficient funds) to ensure employer and participant accounts are correctly and timely debited.

7. **Transaction History Maintenance** – An auditable history of all financial transactions must be maintained.
8. **Financial Research** – Conduct timely and accurate research for payments that are misapplied or for payments that are received with insufficient information to identify proper application of the payment.
9. **Financial Balancing** –The Administrator will perform financial balancing on a regular and frequent basis.
10. **Remittance Processing** - At least twice monthly, the Administrator will generate detailed reports the Corporation will use for remittance of premiums and other contributions. The frequency and content of remittance reports will be developed in consultation with the Corporation and its insurance and service providers.
11. **Monthly Billing Invoice** - The Administrator will bill for its services monthly by generating a detailed invoice. Sufficient detail must be provided and allow for verification of invoice accuracy by the Corporation. The format and supporting documentation that will be required are to be determined by the Corporation.
12. **History Maintenance** – The Administrator will ensure an auditable trail exists in the System by maintaining the correspondence history accurately, maintaining telephone, email or web inquiries, maintaining all financial transactions including employer or third party contributions, and other changes in account information. The Corporation will work with the successful bidder in determining the duration any history must be retained and the elements that must be retained in the System.

H. On-Line Calculator

Establish and make available an on-line calculator to assist applicants and participants in determining the actual cost of coverage and services after the application of employer or third party contributions.

I. Outreach Management System

A tool to manage data from a variety of sources is of interest to the Corporation and is included in this ITN as an optional item for bidder consideration. The inclusion of this service in the contract resulting from this ITN is at the discretion of the Corporation's Board of Directors.

Several sources of data have been identified that may be useful in designing and implementing marketing and outreach efforts to employers and potential participants. The Corporation proposes to establish partnerships with public and private agencies that may share information on businesses, professionals, corporations, and contractors licensed by, doing business with, or associated with the partner agency.

The Corporation intends to develop targeted marketing and outreach efforts for the purpose of educating potential participant employers and their employees about the Florida Health Choices Program. Marketing materials may be designed and distributed based on a variety of elements including county of residence, zip code, type or status of professional license, business type, association membership, etc. A method to accept, store, update, and sort the data, and the ability to document outreach efforts is preferred. This data warehouse may also be useful in managing referrals from other programs.

Based on its initial discussions with potential partner agencies, it is estimated that the initial file transfer will exceed one million records. Regularly scheduled file transfers are also anticipated and will occur on a frequent basis. The ability to accept data from a variety of sources with varying frequency may be beneficial to program's efforts and provide a potentially rich sources of information on the effectiveness of marketing and outreach efforts.

The data elements required for this component will be developed during the Mid-Term Phase and the possibilities will likely include:

- Name and address of the business
- Name and address of the principal contact for the business
- Name and address of the licensed professional
- Type of business or professional license and current status
- Source of the data or referral
- Email address
- Phone

J. Other Requirements

1. Confidentiality

The Administrator shall ensure that all applicant and enrollee accounts are kept secure and confidential and are released only to authorities deemed proper by and in a manner approved by the Corporation. In addition, disclosure of account information must be accomplished in compliance with the HIPAA, and any subsequent and other applicable

state or federal laws and regulations as those relate to the Corporation's data. In addition, the Administrator shall ensure the following:

- That its staff sign a confidentiality agreement (upon employment and annually thereafter) that is approved by the Corporation.
- That its staff receives a written statement, authorizing the release of account information prior to releasing such information to other individuals/entities. Such statement must be in a form approved by the Corporation.
- That the Administrator will comply with all requirements of the Health Insurance Portability and Accountability Act, including 45 CFR parts 160 and 164. (HIPAA)
- That any agent or subcontractor of the Administrator to whom Protected Health Insurance (PHI) is disclosed or creates PHI on behalf of the Administrator adheres to these requirements as if it were the Administrator itself.
- That a training program is developed and maintained to ensure that all employees of the Administrator understand and adhere to the HIPAA requirements.
- That Administrator makes internal practices, books, records, policies, procedures and other information related to the use and disclosure of PHI available to the Corporation upon request for the purpose of determining the Administrator's compliance with HIPAA.
- That Administrator returns all PHI to the Corporation at the conclusion of the contract resulting from this solicitation, with any agreed extensions; retain no copies of the PHI; and certify to the Corporation that the Administrator no longer possesses any PHI resulting from this contract.
- That Administrator conducts quarterly privacy and security monitoring and provide the Corporation with reports to demonstrate compliance with HIPAA regulations.
- That Administrator will comply with the confidentiality requirements of Florida Statutes.

2. Reports

The Administrator will provide the Corporation with periodic reports. The specific reporting formats and contents will be developed by the Corporation in consultation with the Administrator. The reporting function will include pre-defined reports and must support ad hoc reporting capabilities. Examples of report types and frequency include the following:

- Annually –

- Financial audit of the Corporation - The Administrator must cooperate with the Corporation's independent financial auditor and any other auditor the Corporation authorizes, and provide any special reports requested
- Audit Financial Statements of the Administrator
- System Audit - The Administrator will be required to submit an electronic data-processing system audit certifying the integrity of the electronic data processing system
- Monthly –
 - The Administrator will provide a report that compares its actual performance to the performance standards that will be required in the contract resulting from this ITN
 - Regular and supplemental reports of coverage and services
 - Refunds
 - Remittance reports
 - Financial balancing
 - Monthly call center reports
 - Suspense report
- Weekly –
 - Phone statistics
 - Applications and renewals processed and pending
 - Reconciliations
 - Correspondence production
- Daily -
 - Receipts.
 - Non-sufficient funds.

VIII. CONTRACT PERIOD AND TERMS

The Administrator will be selected by the Corporation through a competitive process using criteria established by the Corporation. The selected Administrator will execute a contract with the Corporation to provide all necessary services and assistance as specified within this ITN and as stated within the accepted proposal and ensuing contract.

A. Duration

The duration of any contract resulting from this ITN shall be for five (5) years from the contract effective date. The Corporation reserves the option to continue the resulting contract under such conditions as may be negotiated between the parties for two additional two year periods. Bidders may submit their terms and conditions for services in additional years in their response to this ITN.

B. Satisfactory Performance Required

Any additional year continuation shall be contingent on continued need and satisfactory performance by the Administrator. Moreover, the contract is subject to an annual performance evaluation of the Administrator.

C. Reductions in Payment

The proposal must include an affirmative statement that all reduction in payment provisions (related to failure to achieve performance standards) will be negotiated in good faith by the Corporation and the Administrator during the negotiation period.

D. Bonding Requirements

A performance bond shall be furnished to the Corporation by the Administrator, at the Administrator's sole expense, for the specified Contract term as follows:

<u>Contract Term</u>	<u>Performance Bond Amount</u>
Year 1	\$1,000,000.00
Years 2-5	10% of the estimated annual Contract amount, as determined each year of the contract term based on

estimated enrollment for the next year as determined by the Corporation in its sole discretion.

Contract Extensions

10% of the estimated Contract amount, determined each year of the Extension period based on estimated enrollment for the next year as determined by FHC in its sole discretion.

The initial performance bond shall be furnished to the Contract Manager, Florida Health Choices, Inc., 225 South Adams Street, Suite 250, Tallahassee, FL 32301, within thirty (30) days after the execution of the Contract, and prior to commencement of any work under the Contract. The performance bond amounts for Years 2, 3, 4, 5, and any extension periods, shall be determined by Corporation and the Administrator shall be notified at least thirty (30) days prior to the expiration of the previous performance bond. Administrator shall submit the performance bonds to the Corporation at the address set forth above, prior to the start of the operational period and no later than the first day of the next Contract year, based on the Contract execution date.

No payments will be made to the Administrator until the performance bond is in place and approved in writing by the Corporation. The performance bond shall remain in effect for the full term of the Contract, including any renewals. The bond shall provide that the insurer or bonding company(s) pay losses suffered by Corporation directly to Florida Health Choices, Inc.

Should the Administrator terminate the Contract prior to the end of the Contract period, an assessment against the bond will be made by the Corporation to cover the costs of issuing a new solicitation and selecting a new Administrator. Administrator agrees that Corporation's damages in the event of termination by the Administrator shall be considered the full amount of the bond. Florida Health Choices, Inc. need not prove the damage amount in exercising its right of recourse against the bond.

E. Ownership

The proposal must contain an affirmative statement agreeing that the bidder will not use or permit others to use the Corporation records for any purpose other than that related to the Corporation's business, and the Administrator accepts the terms of any applicable state or federal laws, regulations, or guidelines which apply to maintaining such data in a confidential manner.

F. Turnover Plan

The Administrator agrees that it will negotiate a binding Turnover Plan which will control the release of program records, documents, account history and other information generated by the program, and pledges the full cooperation of the Administrator during any turnover in the future.

G. Audit

Administrator must agree to participate in an annual SAS 70 Type II Audit.

This ITN, including the Exhibits, any subsequent addenda, and the resulting Administrator's proposal in response to this ITN will be attached to and incorporated by reference in the final contract document. The resulting contract shall constitute the entire agreement between the Corporation and the Administrator. In the event of a conflict between any provision of the ITN that has not been otherwise modified in contract negotiations and any other contract documents, the ITN provision shall prevail.

IX. SOLICITATION CONDITIONS

Any resulting contract executed with the successful bidder will be administered by the Florida Health Choices, Inc.

A. Letter of Interest

Potential bidders are invited to submit a non-binding Letter of Interest. When submitting this letter, it should designate a single point of contact and be signed by an officer. Although Letters of Interest are not required, if choosing to submit one, please submit it by 5:00 p.m., Eastern Standard Time, August 6, 2010, and direct it to the ITN2010@myfloridachoice.org address noted in Designated Contacts. Once a Letter of Interest is received, the Corporation will direct all subsequent communication to the single point of contact designated in the letter.

B. Written Questions and Answers

All questions regarding the ITN must be in writing and submitted to ITN2010@myfloridachoice.org. Questions received by 5:00 p.m. Eastern Standard Time on July 27, 2010 will be shared with those who attend the Bidders' Conference and those that submitted a Letter of Interest. These potential bidders will also be notified via e-mail when the answers are published.

If questions are submitted by e-mail as an attachment, they must be submitted in Microsoft Word format. (Version 2010 or below is acceptable.)

C. Bidders' Conference

A bidder's conference will be held on Thursday, July 29, 2010. Attendance at the bidder's conference is not mandatory.

D. Other Communication

Communication regarding this ITN is limited to the subject and Designated Contacts listed in this ITN. If a bidder or subcontractor or their agent/representative contacts: (1) another employee of Brewton Plante, P.A., (2) a staff member of the Corporation, (3) a consultant of the Corporation, (4) a Corporation Board member, including an Ex Officio Board member, or (5) a member of the evaluation team regarding this ITN, the bidder's proposal may be disqualified at the Corporation's discretion.

E. Amendments to the ITN

Explanations or instructions given before the award of the contract will not be binding on the Corporation. Any information given to a prospective bidder concerning the ITN will be furnished to all prospective bidders as an amendment to the solicitation if, in the judgment of the Corporation, such information is deemed necessary to bidders for use in preparing their proposals, or if the lack of such information would be prejudicial to uninformed bidders.

F. Preparation of Proposals

Proposals must be prepared in conformity with all instructions, conditions, and requirements included in this ITN. Bidders are expected to examine all documentation, schedules and requirements, and complete all exhibits pertaining to their offers. Failure to observe all terms and conditions will be at the bidder's own risk.

G. Most Favorable Terms

The Corporation reserves the right to award a contract without any further discussion with the bidders regarding proposals received. Therefore, proposals should be submitted in complete form, and pursuant to all terms and conditions as required in the ITN. The Corporation reserves the right to contact individual bidders to clarify any point regarding their proposals or to correct minor discrepancies. The Corporation is not obligated to accept any proposal modification or revision after the bid submission date. The Corporation reserves the right to reject any and all proposals at its discretion.

H. Cost of Proposal Preparation

The entire cost for preparation and delivery of proposals shall be borne by the bidders.

I. Submission of Proposals

Proposals must be received 5:00 p.m., Eastern Standard Time, on August 27, 2010. Proposals received after this date and time will not be considered. Proposals must be submitted in accordance with the instructions described below.

Two separate proposal submissions are required: A technical proposal and a cost proposal.

Technical Proposal – Bidders must submit **five (5) paper** copies and **one (1) electronic** version (on a CD) of the technical proposal. **The electronic version must be in Microsoft Word format. Images may be imbedded into the Word document. Any spreadsheets must be submitted in Microsoft Excel format.** The five technical proposals must be in one or more sealed containers and addressed to: Angela Triplett, Brewton Plante, P.A., 225 South Adams Street, Suite 250, Tallahassee, Florida 32301.

Cost Proposal - **One (1) paper copy of the cost proposal shall be submitted in a separate sealed envelope.** If the cost proposal is placed in the same container as the technical proposals, the envelope in which the cost proposal is sealed must be clearly marked to differentiate it from the technical proposal.

The Corporation expects the bidder to recover system design, start-up, implementation and development costs over the course of the entire contract.

Bidders are required to submit cost proposal without qualification or contingencies. However, if a bidder wishes to propose alternative methods of payment for services, an alternative payment methodology as supplemental information may be suggested in a separate sealed envelope marked “Cost Proposal Alternative Payment Methodology”.

Faxed or electronically submitted proposals will **NOT** be accepted.

Technical and cost proposals shall be submitted to Angela Triplett, Brewton Plante, P.A., 225 South Adams Street, Suite 250, Tallahassee, Florida 32301

J. Limitation on Number of Proposals

A bidder may submit only one proposal which must satisfy the ITN requirements. The Corporation seeks an innovative and flexible Administrator, and will consider alternative means of accomplishing the requirements specified herein, with reasonable assurance of satisfactory results. Such alternatives should be clearly identified by the bidder in its proposal.

K. Property, Right to Use and Public Documents

All proposals become the property of the Corporation upon receipt and will not be returned to the bidder once opened. The Corporation has the right to use any and all ideas or adaptations

of ideas contained in any proposal received in response to this ITN. Selection or rejection of the proposal will not affect this right. All proposals become public documents after contract award.

L. Revision of Proposals at the Corporation's Request

The Corporation reserves the right to amend any segment of the ITN prior to the announcement of the successful bidder. In such an event, all prospective bidders will be afforded ample opportunity to revise their proposals to accommodate **ONLY** the ITN amendment. The Corporation may request additional activities from bidders as it deems necessary to assess bidders' proposals further.

M. Withdrawing a Proposal

Proposals may be withdrawn prior to final award by written notice received by Angela Triplett, Brewton Plante, P.A. 225 South Adams Street, Suite 250, Tallahassee, Florida 32301.

N. Corporation Furnished Property

No material, labor, or facilities will be furnished by the Corporation unless otherwise provided for in this ITN.

O. Oral Interviews

The Corporation may request oral interviews for the purpose of explaining or clarifying any elements of a bidder's proposal. Tentative dates for such presentations are provided in the section titled 2010 Calendar of Events. The Corporation will notify bidders if they selected for oral presentations.

P. Site Visits

At its sole discretion, the Corporation may request one or more site visits in accordance with the 2010 Calendar of Events. The Corporation will notify and bidders selected for a site visit in writing. The site visit dates listed in the calendar may change if the Corporation so decides. The site visits shall be used as part of the determination of the bidder's capability of meeting the terms of the contract and its proposal. The bidder agrees to allow the Corporation access on its site visit to check reporting and data-entry capabilities as well as any other capabilities required by the ITN. All site visits may be conducted under the requirements of Florida's Sunshine Law.

Q. Award Date

The award of the contract is anticipated by October 15, 2010, and this date is subject to change.

R. Special Note

The Corporation is a private, not-for-profit corporation, and is not subject to the bid requirements of the State of Florida. It is not a state agency. The Corporation may elect to consider or reject any or all responses. Information contained in any proposals received under this ITN is not available to other bidders until the bid has been awarded. A bidder's response to this ITN, or any subsequent submission of technical or cost proposals indicates the bidder's agreement to this statement.

S. Evidence of Licensure or Application

Eligible bidders must provide evidence of licensure as an insurance plan administrator authorized under Section 626.88, Florida Statutes, or provide proof of application to become authorized under the same law.

T. Excluded Organizations

Because of the inherent potential for conflicts of interest, no insurer, health plan, dental plan, or health service provider may hold a contract that issues from this procurement.

The Corporation will not award a contract, directly or indirectly through a bidder's subcontract, to any organization that is debarred, suspended, ineligible or voluntarily excluded from doing business with any state or federal agency.

U. Partial Response Permitted

The Corporation may, at its option, consider proposals in part.

V. Performance Standards

Expectations of performance will be offered by the bidder in responding to the ITN requirements. Please know that the Corporation is committed to negotiation of reasonable standards of performance and related penalties for failure to meet the standards once they are established. The Corporation places a high priority on customer service including the timely

and accurate handling of all functions contained in the ITN. Draft performance standards can be found in Exhibit C and will serve as the basis for negotiation.

W. Announcements

To ensure the accuracy of any public communication, the content of any announcement, press release or statement issued by the awarded bidder concerning this ITN or the resulting contract, must be submitted to and approved by the Corporation prior to release.

X. TECHNICAL PROPOSAL REQUIREMENTS

The bidder should divide and submit the response according to the instructions below. The bidder should refer to the appropriate section in this ITN for more information on the content of each of these sections.

In Tabs A through T, the proposal should include complete descriptions of how each proposed activity will be implemented, how it will function when fully implemented and how each function will be maintained. The bidder is asked to address its approach to phases in Tabs U and V.

The proposal must be in the following order with clearly defined sections and corresponding lettered tabs.

TAB A. Cover Page and Application Fee

The cover page of the proposal must include the name and address of the bidder, the date of the submission, and the typed name, title and written signature of the appropriate officer with the authority to bind the bidder.

The bidder, by its proposal, certifies to the Corporation that it has full corporate power to enter into the contract and perform its obligations hereunder; that such performance would not give rise to any violations of any other contract of the bidder, and that the officer signing the proposal has full authority to do so. It also certifies its agreement to allow the Corporation access on any site visit during the evaluation process to verify capabilities required by the ITN.

An ITN application fee of \$2,500.00 is required when submitting the proposal. If a proposal does not meet the minimum compliance requirements, the full amount of the fee will be returned to the bidder. Application fees submitted with proposals that are selected for technical review will be used to offset expenses associated with the Invitation to Negotiate including: any travel incurred by the Corporation to conduct site visits or organize and attend meetings related to the ITN, duplication and distribution of all public records relating to the ITN for all responding bidders, general office expenses, and any staff, consultant or legal fees related to the ITN. Please attach a check made payable to Florida Health Choices, Inc. for the required amount and attached the payment to the Cover Page in Tab A.

TAB B. Profile of Responding Bidder

Briefly describe the bidder's corporate history, philosophy, and general comments about the bidder's organization. At a minimum, include:

- A statement identifying the formal name, title, type of business, business address, location of the bidder's principal offices, and identification of any other location or site which is proposed to provide any services or resources for the execution of the duties of this ITN as well as any other name(s) under which the bidder's organization does business.
- An organizational chart that clearly indicates the corporate division which will be assigned the responsibility for management of the contract, and its relationship to other corporate functions or accounts maintained by the bidder.
- A description of the bidder's experience and qualification(s) including the scale and number of years of experience for each of the following: operating contact centers, provision of web-based choice portals, conducting eligibility determinations, providing financial services, processing applications for insurance, managing enrollment, developing and maintaining complex data bases.
- Any potential conflicts that the bidder has or may have. In this section, identify any relationship the bidder has with the Corporation's employees, consultants, contractors, affiliates or the Corporation's board members since commencement of ITN development which began at 5:00 p.m. on Monday, June 21, 2010. (Board membership and staff of the Corporation are listed at www.myfloridachoice.org. Other contractors and consultants include Wilbur Brewton, Richard Tuten and Lauren McCarthy.)

TAB C. Evidence of Licensure

The bidder must provide evidence of licensure as an insurance plan administrator authorized under Section 626.88, Florida Statutes, or provide evidence that an application for such licensure has been submitted to the State of Florida and is under consideration as of the date the proposal is submitted.

TAB D. Audited Financial Statements

The bidder must provide documentation as to the financial solvency of the organization, including audited financial statements for the organization's two most recent fiscal years. If the

organization's most recent fiscal year ended within 120 days prior to the proposal due date and the last audited financial statement is not yet available, then the Corporation will consider the two immediately prior fiscal years as the most recent. The Corporation reserves the right to request additional information to assure itself of the bidder's financial status and the status of any subcontractors.

TAB E. Agreement to Conditions and Requirements

The bidder must submit a positive statement with respect to willingness to sign and fulfill a contract containing the terms, conditions, and requirements of this ITN as specified throughout, and must specifically accept, agree to, and comply with the following requirements:

- Duration
- Satisfactory Performance Required
- Reductions in Payment
- Bonding Requirements
- Ownership
- Turnover Plan
- Audit
- Other Communication

TAB F. Subcontractors

Provide the legal name and address of all partner organizations and subcontractors that will be involved in the project and indicate the phases during which they will be involved. The bidder's proposal must clearly delineate the responsibilities of the subcontractors, any prior experience of working together and state the advantages of the working relationships. The Corporation may request to review any or all subcontracts.

TAB G. Representatives

On page 1 of Tab G, each bidder shall submit a primary and secondary point of contact to which the Corporation will direct, and from whom the Corporation will accept, all subsequent correspondence related to the ITN. Please submit the names, titles, mailing addresses, business and cell phone numbers, fax numbers, and email addresses of the appointed contacts. The bidder may change the contact information or the appointed contacts only when

communicated in writing by the officer whose signature appears on the cover page of the proposal.

On page 2 of Tab G, the bidder shall submit a list of all persons engaged in governmental consulting or who are registered to lobby on behalf of the bidder or its subcontractors in Florida and shall attest that the persons listed have been notified of the limitation on contact during the procurement.

Note: The bidder's primary and secondary point of contact are to direct any communication to the Corporation's designated contacts as listed in this ITN. With the exception of communication occurring during a publicly noticed meeting of the Corporation, the bidder's staff, subcontractors, lobbyists, and other representatives, shall refrain from any contact with the Corporation's board of directors, staff, consultants, contractors, or affiliates in regard to this ITN. The Corporation's board of directors, staff, consultants, contractors, and affiliates will report any contact in regard to this ITN and the bidder's proposal may be removed from further consideration at the discretion of the Corporation.

TAB H. References and Other Contracts

The bidder shall provide the following information about its client references and detailed information about other contracts.

- Provide contact information for five (5) general client references that will demonstrate the ability to provide the services described in this ITN
- Provide a list of each contract your organization has held at any time over the last five (5) years for the provision of any services similarly described in this ITN. If the bidder has not been in business for five (5) years, the experience of its principal officers may substitute
- Provide a list of all contracts held at any time in the past ten (10) years with the State of Florida, its agencies, subdivisions or entities created by the State of Florida.

For each of the contracts listed in paragraphs 2. and 3. above, provide:

- Name and title of bidder's contract manager
- Name, title, phone number, and address of the other party's contract manager

- A general description of services provided
- If the contract is current terminated (If terminated, provide an explanation.)
- Indicate any breach including a settled breach

The Corporation reserves the right to contact any or all contract managers for these contracts and/or other parties in order to perform reference checks.

TAB I. Other Initiatives and Projects

Describe any other start-up initiatives and on-going projects in which the bidder is currently involved or will be involved within the time period between the proposed award date and the completion of Quick Start and Mid Term phases.

Address how the administration of the resulting contract can be assumed by the bidder in addition to the other initiatives in which it is involved without perceptible disruption of service to the Corporation or other clients.

Include an affirmation of the bidder's acceptance of the requirement that it notify the Corporation of any other start-up initiatives the bidder undertakes following the award issuing from this ITN and prior to the completion of implementation.

Note: In responding to the sections that follow, bidders are required to offer proposals that meet the requirements described in this ITN. Proposals will also be evaluated based on the extent to which they offer innovative methods and approaches that incorporate technological or business solutions not identified by the Corporation. Wherever possible, and consistent with each bidder's individual business practices, bidders are to suggest administrative improvements in the components and functional areas.

TAB J. Staff

1. **Staffing** - Describe the overall approach to staffing this project for each component during each phase of the project.

Identify the contract manager for this contract, and describe how the contract manager will interface with the Corporation and be available for communications as necessary.

Submit a proposed staffing chart. Indicate staffing and reporting relationships at each phase. Include the total number of staff assigned to each functional component of the operating structure.

Describe how the bidder will ensure an adequate number of staff necessary to perform the services, and otherwise comply with the ITN requirements. Describe how the bidder will attract and hire trained and experienced personnel to meet the staffing plan throughout the contract lifetime.

2. **Qualifications** - Provide the resumes of key management personnel. Describe each person's level of experience in managing similar services. The list of key personnel might include a Project Manager, Deputy Project Manager, Systems Manager, Quality Control Manager, Customer Contact Center Manager, and Chief Financial Officer.

If all key personnel are not yet hired, provide a description of the bidder's approach to recruit and hire in these positions.

For all other positions, please describe the bidder's recommended approach to filling positions and demonstrated success in staffing other projects.

3. **Multi-lingual staffing** - Describe the proposed staff's multi-lingual capability or demonstrate the bidder's ability to employ and manage multi-lingual staff.
4. **Location** - Indicate the proposed geographic location of all staff during each phase of the project. While locating staff outside the State of Florida is permitted, the majority of operations and staff to support the required services must be located in the State of Florida during the Mid Term phase. Describe the activities the bidder will undertake to meet this requirement.
5. **Retention** - Describe the bidder's experience in retaining qualified staff and programs designed to ensure staff competency - such as compensation and performance review. Provide the bidder's retention rate across all current contracts.
6. **Training** - Describe how the bidder will train any and all proposed staff assigned to the Corporation contract. Address how the bidder will ensure that the staff

complete the level of services required by this ITN and have the appropriate job training to effectively perform as the Administrator.

Summarize each activity for which the bidder, as Administrator, will provide formal training.

Describe a training plan which addresses training for new employees, how on-going training is accomplished, and the time frames for both, how staff will be provided updates on program changes and systems changes, and who will be responsible for performing such training.

Describe how the Administrator's training will be coordinated with the Corporation, and how the Administrator proposes to provide training to the Corporation's staff.

7. **Confidentiality** - Describe the bidder's method for ensuring that confidentiality standards are kept and maintained relative to customer service. This shall include a description of how the bidder trains all staff on matters related to confidentiality.

The bidder shall describe how it will handle breaches in confidentiality that may occur. Describe how the bidder will ensure staff receives proper guidance and re-training, when necessary, as it manages any breach of confidentiality.

TAB K. Operate a Statewide Customer Contact Center

Provide a detailed narrative description of how the bidder proposes to handle all aspects of customer service. At a minimum, address the following functions:

1. **Telephone contact** - Describe how the bidder will accurately and timely meet the customer service requirements described in this ITN including, but not limited to, the following:
 - Proposed number of incoming toll-free lines and trunk capacity to be maintained for the life of the contract to handle the volume of calls received through the Corporation's toll-free member services number
 - Procedures to be used in handling incoming calls, and coordination with other means of inquiries, including a description of the following:
 - Any automated call distribution system to be used by the bidder
 - Any work force management software to be used by the bidder
 - Any call monitoring system to be used by the bidder

- The automated voice response system to be used by the bidder.
- Capability to accept live handoffs of calls coming from locations outside the customer service center
- The method of receiving, documenting, recording, tracking and evaluating telephone inquiries
- The proposed office hours for customer service staff. If this is different from other staff, indicate how so
- Proposed average monthly customer service performance for, at a minimum, the following items:
 - speed to answer
 - maximum blocked call rate
 - abandonment rate
 - time to follow-up
 - time to abandon
 - service level
 - maximum time/days to return calls

If these averages are different for the non-English speaking population, please explain.

- Proposed method of handling the following calls:
 - Calls received after business hours
 - Incoming call attempts when all lines are busy (Call attempts means there is no trunk availability and callers are getting a busy signal. Describe what action the Administrator will take, i.e., open more trunk lines, expand hours, or change the outgoing call message. How will the Administrator alleviate the busy signals?)
 - Calls received and put on “hold” when the speed-to-answer times are excessive (This practice refers to the answering of a second call before the first call is completed. Both calls appear to be answered on a timely basis even though the first call has not been completed.)
- Proposed method of handling calls received from the hearing-impaired population
- Proposed method of handling calls received from the non-English speaking population
- Proposed method of handling calls received while the information system is down

2. Correspondence and Information Dissemination - Describe the bidder’s proposed approach for handling the following correspondence activities:

- Procedures for handling written inquiries from applicants, enrollees, the Corporation staff, the general public, and other third parties including attorneys or state agencies; its proposed time frames for handling these; and its method of receiving, documenting, recording, tracking and evaluating these inquiries
 - The method of and proposed time frames for managing returned mail
 - The method of and its proposed time frames for monitoring the mailings
 - The method of handling the Corporation's e-mail requests for account revisions, activations, cancellations, reinstatements, and account processing overrides, and its proposed time frames for these requests
 - The method for ensuring adequate mailing supplies (including but not limited to first class postage, printers, envelopes, and paper) in order to ensure timely mailings
 - The method of managing system-generated and outgoing correspondence
 - The method for maintaining and updating the correspondence file, and the bidder's method for keeping historically accurate letters that were sent on file
 - The method of handling correspondence received that is written in a language other than English, and its proposed time frames for processing such letters
 - The method of providing system-generated correspondence in English and Spanish. Include the bidder's method of providing responses to other non-English speaking families
3. **Accepting Payments** – Describe the bidder's experience with accepting third party payments by phone or IVR.
4. **Handling Complaints** – Describe the bidder's method of documenting and handling any complaints and its time frame for doing so.
5. **Reporting** List management reports the bidder will generate. At a minimum, the following measures of center performance are required: speed to answer, blocked call rate, abandonment rate, time to follow-up, average time to abandon, service level, and average time/days to return calls and emails.
6. **Quality Assurance** – Describe the bidder's approach to ensure the quality of customer service and accuracy of the information provided by call agents. Include the following information:
- Proposed method for routinely evaluating customer service performance
 - How often performance is to be evaluated and the methods
 - Any monitoring tools that will be used

- The criteria and expect levels of agent performance
 - Proposed method of determining customer satisfaction
 - How the Administrator will ensure timely modifications are made to ensure that calls are handled within contract standards
7. **Confidentiality** - Describe the bidder's method for ensuring that confidentiality standards are kept and maintained relative to customer service.
 8. **Capacity** - Describe the type and quantity of equipment and physical support resources that will be used in the Customer Contact Center, and an estimate of the bidder's capability and capacity.

TAB. L Web-Based Portal

1. **Presentation** - Describe the bidder's approach to design and manage the web-based presentation of program choices. Including:
 - Presentation of the information in a way that allows for comparison of participant options
 - Cite any experience with development of consumer friendly language and format
2. **Maintenance of Information** - Describe how the bidder proposes to acquire and store product and service information including any eligibility rules, product rates and other details applicable to the approved offerings. Provide specifics on how the Administrator will assure timely maintenance of any product or service detail such as eligibility rules, rate information or benefit modifications.
3. **Manage Eligibility Rules in the Presentation** – Provide details on how the bidder proposes to manage eligibility rules in the presentation of program choices. Examples might include but are not limited to the following:
 - Employers may select a set of products for consideration by their employees. How will the Administrator ensure the products selected by the employer are only those viewed by the employee via the web-based portal?
 - Choices may vary depending on a service area. How will a product or plan that is offered only in Broward County, be limited in its presentation to participants located in Broward County, and not be presented to participants located in Escambia County?
 - Employees may be provided with a limited open enrollment period during which all options are available to them. After the open enrollment period is concluded,

their choices may be limited to medical savings accounts only. How does the Administrator propose to ensure the correct offerings are presented at each interval?

- An offering may be closed to new employers or participants after a specified date, but still available to employers and their employees who enrolled prior to that date. How does the bidder propose to manage this circumstance?

4. **Web Interaction** -

- a. Describe the bidder's response on how it will process enrollee communications via the Internet.
- b. Describe the procedure to be used in handling incoming electronic communication, and coordination with other means of inquiries. Include a description of the following:
 - Any automated distribution system to be used by the bidder
 - Any work force management software to be used by the bidder
 - Any monitoring system to be used by the bidder
- c. Describe the method of receiving, documenting, recording, tracking, responding to, and evaluating web inquiries.
- d. Describe the proposed method of handling web communication received from the non-English speaking population.
- f. Describe the bidder's proposed strategies to increase the proportion of web-based applications, information updating, and renewal activity.
- g. Describe how the bidder will ensure the confidentiality of communications with regard to messages received or sent via e-mail.

5. **Capacity** - Describe the proposed capacity to be maintained for the life of the contract in order to handle the volume of queries, choices presentations, emails, electronic applications and any documents stored in, or received through, the web-based portal.

Describe the type and quantity of equipment and physical support resources that will be used to support web function, and an estimate of the bidder's capability and capacity.

TAB M. Application and Renewal Processing

Provide a detailed narrative description of the application processing operations and/or system to be used in processing applications for the Corporation. At a minimum, the bidder must address and describe the following:

1. Application processing system

Describe the operations or systems to be used to process applications consistent with the conditions specified in this ITN.

- a. Define the degree of system automation which includes a description of major system functions and files, unique system features, and system outputs.
- b. Describe how it proposes to handle duplicate subsequent applications and other edit type functions.
- c. Propose an overall average processing timeframe (net of applicant time).
- d. The bidder shall include its method of ensuring data-entry accuracy and provide a proposed data-entry accuracy rate.
- e. Describe the advantages of the proposed application processing operation or system.
- f. Describe how it proposes to handle applications that may be referred to other entities, including applications that may require multiple referrals.

2. Application processing timeframes

Propose timeframes for the following:

- a. Average turnaround time for complete and accurate application processing.
- b. Average turnaround time for incomplete application, excluding applicant time elements.

- c. Specific timeframes for the creation of an electronic record (scanning, data-entry, linking and editing), eligibility determination, and insurer or service provider notification.
- d. Timeframes for the referral of applications if required.

3. Equipment and physical support resources

Describe the type and quantity of equipment and physical support resources that will be used in the application processing function, and an estimate of the bidder's system's application volume processing capability and capacity.

4. Content and format

- a. Describe the content and format of applicant records on the proposed information system, and include a description of the method by which these records will be maintained and accurately updated. Include any proposed system edits to ensure applications are processed accurately and efficiently.
- b. Provide sample copies of screens that will be included in application processing if available.

TAB N. Financial Services

Describe how the bidder will meet the requirements of Financial Services in each phase. At a minimum, the bidder shall provide a description for each of the duties described below.

1. Segregation of Business Transactions

Describe the method that will be employed to segregate all business transactions of the Corporation from other accounts held by the bidder.

2. Financial Accounting Procedures

Describe the bidder's financial accounting procedures, methods, or system proposed for use by the bidder to satisfy all of the requirements.

3. **Financial Records and Outputs**

Describe the financial records and outputs to be produced and maintained by the bidder.

4. **Premium Processing**

Describe how payment transmissions will be posted, how accuracy of payment posting will be verified, how financial adjustments will be processed, how late and delinquency processing will be accomplished, how premium suspense files will be timely and accurately processed, and provide time frames for all.

Indicate what payment methods the bidder proposes to allow, and how it anticipates to process payments from such methods. How will the bidder ensure accurate and timely processing of all premium payments?

Provide a step-by-step description of an enrolled employer's experience when transmitting employer contributions and funds that are payroll deducted.

Describe an individual participant's experience when paying premiums if no longer employed by an enrolled employer.

5. **Returned Payment Processing**

Describe how returned payments (insufficient funds) will be timely and accurately processed to ensure accounts are correctly and timely debited.

6. **Financial and Account Research**

Describe how the bidder will conduct timely and accurate research for payments that cannot be associated with an employer or individual account.

7. **Error Correction**

Describe how the bidder will ensure timely correction to any account when the problem is a result of an Administrator's error. Administrator error may be due to a programming, production, data-entry, or customer service representative error, or

other Administrator error that caused an applicant or member to not be timely enrolled or timely reinstated.

How does the bidder propose to address claims for medical services provided to enrollees who, through Administrator error, were not appropriately enrolled in their chosen health plan?

8. Monthly Billing Invoice

Describe how the bidder will ensure timely and accurate billing for monthly Administrator services for covered accounts, new applications, manual debits and renewals, and other fees in a format and with financial documentation approved by the Corporation.

9. Remittance Reports

Describe how the bidder will reconcile premium collections and distributions and provide documentation of detailed remittances to each carrier.

Tab O. Outreach Management System

The bidder may choose to not respond to this optional section. If the bidder intends not to include this service in the proposal please provide a statement to that effect in Tab O.

For bidders choosing to respond to this option section, please submit the following:

- Describe the bidder's experience in developing similar outreach management systems or data warehouses of the size and scope described in this ITN.
- Give examples of other projects in which the bidder has successfully managed data referrals to and from multiple sources and the preferred methods of data transfer.
- Although the Administrator is not responsible for developing an outreach and marketing campaign under a contract resulting from this ITN, please describe any previous experience in outreach and marketing efforts for populations enrolling in health care programs.
- Offer suggestions on the activities the Corporation may undertake to best utilize the data and educate employers and employees about its programs.

TAB P. Administrative Services

1. Business Continuity and Contingency Plan (BCCP)

Describe how the bidder will meet the requirements for a BCCP.

Specify, by job title, which of bidder's employees is primarily responsible for the BCCP for the Corporation's contracted services and products, and when the bidder will submit the BCCP to the Corporation.

2. Notice of Bidder Breach

Describe how the bidder will ensure it immediately notifies the Corporation if it fails to comply with contract standards when such failure negatively impacts an applicant's eligibility or a member's coverage.

3. Policy and Procedure Development

Describe how procedures are developed, who is responsible for development, and how the procedures are maintained.

4. Economies of Scale

Describe any economies of scale related to the services the bidder has proposed in this ITN. Provide examples.

5. Research

Provide a description of how the bidder will process inquiry requests from the Corporation, including staffing and timeframes for completion of the following:

- Coverage and payment history research
- Systems issues that have affected accounts
- File transmittal issues
- Application receipt issues (including provision of an original, electronic or facsimile application)

TAB Q. Quality Assurance

Describe the bidder's overall approach to ensure the quality of services delivered under the contract. Specify the method(s) by which the bidder shall conduct quality control of all activities, including but not limited to:

- Implementation
- Systems development
- Systems testing
- Application/renewal processing
- Customer service
- Financial services
- Administrative services
- Account maintenance
- Reports

TAB R. Reports

Describe the bidder's ability to produce reports documenting system performance, portal access, enrollment and eligibility statistics. Include a narrative text which clearly addresses and/or otherwise describes the following:

1. Standard Reports

The ability of the bidder to generate reports and how those reports will be generated (system or manual; if a combination, indicate the variances). List and describe all available standard reports the bidder proposes to include in the systems.

2. Special and Ad Hoc Reports

The ability of the bidder to handle special report requirements deemed necessary by the Corporation, as well as the training that will be provided to the Corporation regarding ad hoc report generation.

3. Interface and Requesting Changes

The methods of interfacing with the Corporation regarding report format changes, recommendations for new reporting statistics or methods of transmission, etc.

TAB S. Management Information Systems

Describe how the bidder will manage the systems aspects of the resulting contract and how it will ensure all items will be timely and accurately handled. The bidder's response shall address the following items, at a minimum:

1. Computer Equipment

Describe the bidder's current computer equipment (hardware, software, capacities, programming languages, security features, internal controls). Separately indicate any equipment changes the bidder would put in place for this contract.

The bidder must describe its approach to granting the Corporation access.

2. Systems Changes

Describe any specific systems changes the bidder would make to its system to process the Corporation records. Describe the process used to prioritize system change requests (submitted by the Administrator's staff and from the Corporation). Describe time frames that system changes will be made, taking into account the complexity of the change.

3. Redundancy

Describe the bidder's approach to increase reliability of the systems, through redundancy or other methods.

4. Disaster Recovery

Describe the bidder's current disaster recovery plan, how it facilitates software and hardware recovery and use of alternative facilities, and what amendments will be made to accommodate this contract.

5. Transmission of On-Line Data

Indicate how the bidder might provide the Corporation access to its systems. Include how the Corporation will receive access to electronic scanned applications and supporting eligibility documents. Explain how the bidder would provide data typically

received on-line, including receipt of scanned images, if the on-line connection to the Corporation is temporarily disabled.

6. Ownership of Software and System Modifications

Specify what terms shall be included in any joint licensing agreement related to proprietary access to the software and system modifications after the contract with the bidder terminates.

TAB T. Maintenance of Data Confidentiality

Provide a statement that assures the Corporation that the data and other information generated by conducting its business will remain confidential and accessible to only proper sources.

Address the following issues related to confidentiality and accessibility:

- The protective measures and safeguards the bidder will employ to assure that data and other related information, including that data residing in the bidder's automated system, will remain secure, highly confidential, and in compliance with federal HIPAA requirements and any other or subsequent applicable state or federal laws or regulations
- The methods the bidder will use to limit access to such data to appropriate sources only
- The bidder's past experiences in maintaining confidentiality of data and limiting access to i

TAB U. Phased Approach

In this section of the proposal, submit a complete description of how each proposed activity will function during each phase of the program.

Consider the following when addressing the phased approach:

- Quick Start Phase – Describe the availability and adaptability of existing systems and resources to support the rapid implementation of this phase. Identify which service elements are available during this phase.
- Mid Term Phase – Describe how the bidder will expand the capacity and scope of services delivered through the Customer Contract Center and meet service levels

with an expanding participant population. Identify the additional service elements that will be added to bring the Administrator into full compliance with the ITN requirements.

- Long-Range Phase – Describe the bidder’s willingness and ability to adapt to any changes in the program and the proposed approach to change management. Cite any successful examples of large scale adaptations.

TAB V. Implementation

1. Implementation Plan

- a. Provide an implementation plan that assures the Corporation of the bidder's readiness to prepare for and complete the tasks proposed for the Quick Start phase. Outline the steps necessary for the Administrator to begin Quick Start operations as the Corporation’s third party administrator and propose the Quick Start date.
- a. Propose an implementation plan to achieve full functionality during the Mid-Term Phase and a proposed date for accomplishing all the requirements of this ITN.
- b. Describe the bidder’s approach to manage any changes that may be required for the Long-Range Phase.

2. System Development and Testing

Describe the bidder’s overall approach to testing the systems before they are accepted by the Corporation. This requirement must contain, at a minimum, the following: test planning, test schedule, test execution, evaluation of test results, correcting any discovered errors, retesting, and formal user acceptance testing.

3. Project Management

Describe the bidder’s approach to project management and how the Corporation will be kept advised of bidder’s progress in implementation and change management.

Further, the Corporation suggests that the bidder retain an independent and certified project management professional who will report directly to the Corporation and provide independent verification of project status at each phase.

TAB W. Contract Revisions

If the bidder's legal counsel anticipates requesting any revisions to the contract contained in Exhibit B, these requested revisions must be submitted with your proposal.

XI. COST PROPOSAL REQUIREMENTS

The Corporation expects the bidder to recover system design, start-up, implementation and development costs over the course of the entire contract.

A. Submission Instructions

One paper copy of the cost proposal shall be submitted in a separate sealed envelope. If the cost proposal is placed in the same container as the technical proposal, the envelope in which the cost proposal is sealed must be clearly marked to differentiate it from the technical proposals.

Bidders are required to submit cost proposal in the format outlined below without qualification or contingencies. However, if a bidder wishes to propose alternative methods of payment for services, an alternative payment methodology as supplemental information may be suggested in a separate sealed envelope marked "Cost Proposal Alternative Payment Methodology".

B. Pricing Information and Maintenance of Cost Data

The cost proposal consists of set up and application processing fees, the monthly processing fee, monthly fixed operational costs and additional monthly programming costs, each of which is independent of the other.

1. **Employer Set Up Fee:** \$ _____

This is a one-time fee for each enrolled employer.

2. **Participant Application Processing Fee:** \$ _____

This is a one-time fee for each applicant employee or individual.

3. **Buyer's Representative Application Processing Fee:** \$ _____

This is a one-time fee for each buyer's representative.

4. **Monthly Employer Maintenance Fee:** \$ _____

This is a fee applied monthly for each actively enrolled employer.

5. **Monthly Participant Maintenance Fee:** \$ _____

This is a monthly fee applied for each enrolled employee or individual participant.

6. **Monthly Buyer's Representative Maintenance Fee:** \$ _____

This is a monthly fee applied to each participating buyer's representative.

7. **Excess Programming Fee (Hourly Rate):** \$ _____

This hourly fee covers programming costs for changes required to the system during the contract period that are in excess of the 3,000-hour requirement in the base price of the contract.

C. Optional Fees and Services

Bidders may have additional cost information and calculations they may wish to itemize, but at a minimum, cost proposals should be reported as indicated above.

1. Consulting Fees (Other than programming):
2. Other Fees:

XII. EVALUATION

A. General Evaluation Procedure

Florida Health Choices, Inc. is committed to assuring a fair, open, and rigorous competition for the award of this contract and will use a competitive negotiation process to select an Administrator for this award. The competitive negotiation process is a dynamic competitive process through which we can evaluate and test, through a negotiation process, the strengths and weaknesses of bidders and their proposals, and make a final selection based on the selection criteria detailed in this section. The goal of the process is to negotiate the maximum levels of service available for a competitive price.

Proposals will be evaluated in a multiple step process. In the first step, proposals will be evaluated to ensure that they comply with the minimum requirements that are outlined in this ITN, are complete and can be evaluated for technical merit and cost effectiveness.

In the second step of the process all proposals meeting the minimum compliance requirements will be evaluated for the technical merit of the response. The evaluation of technical merit will be completed independently of the evaluation of cost. Any proposals that are incomplete, conditional, or qualified will be disqualified from further consideration.

Florida Health Choices, Inc. may choose to conduct oral interviews and/or site visits to better understand technical submissions. All bidders are advised that oral interviews and site visits conducted by Florida Health Choices, Inc. are subject to public notice requirements. Other bidders competing for this contract award and the general public may not be barred from any public meeting or from bidder's operating premises if that is the location of a public meeting.

In the third step of the process cost proposals will be evaluated.

Finally, a competitive negotiation process will be conducted. However, the Corporation reserves the right to accept proposals as submitted. Potential administrators may be asked to enter into negotiations to discuss any modifications requested, changes in proposed service levels and/or price, and/or improvements to the solution proposed by the bidder. The Corporation will determine which proposal offers the best combination of technical merit and price. Contract terms may also be negotiated during this period.

Any changes to the solicitation requirements requested by Florida Health Choices, Inc. during the negotiation process may also require adjustment to the bidder's cost proposal. In this

event, a best and final offer (BAFO) will be requested of the participating bidders still under consideration.

The results of this evaluation will be provided to the appropriate Board Committee and ultimately to the Corporation Board of Directors. Consideration will be given to capabilities or advantages which are clearly described in the proposals; that are confirmed by oral presentations and site visits; that are verified by information from reference sources and/or workload demonstrations; and any independent assessment of the proposals.

The Board of Directors will determine the final award of this contract.

The Corporation is not subject to the bid requirements of the State of Florida, and reserves the right to reject any or all bids that are received. The Corporation also reserves the right to seek clarification of any bidders, to require corrections, and to waive minor irregularities.

B. Evaluation for Compliance with Minimum Requirements

The first step of the evaluation process is to verify that the submission meets certain minimum requirements as specified below. The submission must include the required number of proposals and the submission must be submitted on time as outlined in this ITN.

Minimum compliance requirements:

- Proposal was timely received at the designated location
- Submission contains the required number of proposals
- Proposal contains a fully completed cover page
- Proposal application fee accompanies the submission
- Proposal contains the appropriate Evidence of Licensure
- Proposal is submitted by an entity that is not excluded
- Proposal contains the required audited financial statements
- Proposal submitted in required formats
- Cost proposal submitted in separate, sealed envelope
- Proposal contains list of subcontractors
- Proposal contains list of representatives and attestation on contact limitations
- No other proposal received from the bidder was submitted

Any proposal that does not meet the minimum requirements will be disqualified.

C. Evaluation for Technical Approach and Bidders' Capabilities

In the second step of the evaluation process, the bidder's technical approach and capabilities will be evaluated independently of costs.

Florida Health Choices, Inc. reserves the right to require oral presentations and to conduct site visits during the evaluation process. The specific details of oral presentations and site visits will be provided by the Corporation.

The Corporation will conduct reference checks regarding the bidder's corporate experience and proposed personnel.

The Corporation reserves the right to secure an independent assessment of the bidder's proposal in regard to its technical merit, risk of successful implementation, and any other appropriate factors. The evaluation process will provide credit only for capabilities or advantages that are clearly described.

D. Evaluation for Cost

Value is a vital concern for the Corporation. The cost proposal will be evaluated to confirm that it is complete and does not contain any conditional statements or qualifications. The individual prices and overall price contained in the cost proposal will be evaluated for mathematical accuracy and consistency. Additionally, the cost proposal will be evaluated to confirm that the proposed price is consistent with the level of service proposed in the technical portion of the proposal.

It is expected that the bidder will be responsible for and recover start-up, implementation and development costs over the entire contract period.

E. Competitive Negotiation Process

In this phase of the evaluation process the Corporation will enter into negotiations with selected potential Administrators. The purpose of this process is to negotiate the maximum level of service available for a competitive price. During this process the Corporation will discuss modifications to the proposal, changes in proposed services or service levels, improvements to the proposed solution, and the price of the contract. The Corporation will award the contract to the bidder with the best combination of technical merit and price. The Corporation is the sole judge of which proposal best meets the combination of best technical merit and price.

F. General Contract Award Procedure

The contract will be awarded on or about the date indicated in this ITN to the bidder whose proposal most nearly conforms to all conditions and requirements of the ITN, and which is the most advantageous to the Corporation, considering price and other factors. A contract for Administrator services will be executed between the Corporation and the successful bidder. A draft contract is provided as an Exhibit B in this ITN.

The Corporation may incorporate any terms or provisions of this ITN and the bidder's response by reference into the contract executed between the Corporation and the successful bidder

Florida Health Choices, Inc. reserves the right to select more than one vendor for the services described in this ITN.

Non-selection of any proposal will mean either that other proposals were determined to be more advantageous to the Corporation or that no proposals were acceptable. The decisions of the Corporation are final.

XIII. EXHIBITS

EXHIBIT A

408.910 Florida Health Choices Program.--

(1) LEGISLATIVE INTENT.--The Legislature finds that a significant number of the residents of this state do not have adequate access to affordable, quality health care. The Legislature further finds that increasing access to affordable, quality health care can be best accomplished by establishing a competitive market for purchasing health insurance and health services. It is therefore the intent of the Legislature to create the Florida Health Choices Program to:

- (a) Expand opportunities for Floridians to purchase affordable health insurance and health services.
- (b) Preserve the benefits of employment-sponsored insurance while easing the administrative burden for employers who offer these benefits.
- (c) Enable individual choice in both the manner and amount of health care purchased.
- (d) Provide for the purchase of individual, portable health care coverage.
- (e) Disseminate information to consumers on the price and quality of health services.
- (f) Sponsor a competitive market that stimulates product innovation, quality improvement, and efficiency in the production and delivery of health services.

(2) DEFINITIONS.--As used in this section, the term:

- (a) "Corporation" means the Florida Health Choices, Inc., established under this section.
- (b) "Health insurance agent" means an agent licensed under part IV of chapter 626.
- (c) "Insurer" means an entity licensed under chapter 624 which offers an individual health insurance policy or a group health insurance policy, a preferred provider organization as defined in s. 627.6471, or an exclusive provider organization as defined in s. 627.6472.
- (d) "Program" means the Florida Health Choices Program established by this section.

(3) PROGRAM PURPOSE AND COMPONENTS.--The Florida Health Choices Program is created as a single, centralized market for the sale and purchase of various products that enable individuals to pay for health care. These products include, but are not limited to, health insurance plans, health maintenance organization plans, prepaid services, service contracts, and flexible spending accounts. The components of the program include:

- (a) Enrollment of employers.
 - (b) Administrative services for participating employers, including:
 - 1. Assistance in seeking federal approval of cafeteria plans.
 - 2. Collection of premiums and other payments.
 - 3. Management of individual benefit accounts.
 - 4. Distribution of premiums to insurers and payments to other eligible vendors.
 - 5. Assistance for participants in complying with reporting requirements.
 - (c) Services to individual participants, including:
 - 1. Information about available products and participating vendors.
 - 2. Assistance with assessing the benefits and limits of each product, including information necessary to distinguish between policies offering creditable coverage and other products available through the program.
 - 3. Account information to assist individual participants with managing available resources.
 - 4. Services that promote healthy behaviors.
 - (d) Recruitment of vendors, including insurers, health maintenance organizations, prepaid clinic service providers, provider service networks, and other providers.
 - (e) Certification of vendors to ensure capability, reliability, and validity of offerings.
 - (f) Collection of data, monitoring, assessment, and reporting of vendor performance.
 - (g) Information services for individuals and employers.
 - (h) Program evaluation.
- (4) ELIGIBILITY AND PARTICIPATION.--Participation in the program is voluntary and shall be available to employers, individuals, vendors, and health insurance agents as specified in this subsection.
- (a) Employers eligible to enroll in the program include:
 - 1. Employers that have 1 to 50 employees.

2. Fiscally constrained counties described in s. 218.67.
3. Municipalities having populations of fewer than 50,000 residents.
4. School districts in fiscally constrained counties.

(b) Individuals eligible to participate in the program include:

1. Individual employees of enrolled employers.
2. State employees not eligible for state employee health benefits.
3. State retirees.
4. Medicaid reform participants who select the opt-out provision of reform.
5. Statutory rural hospitals.

(c) Employers who choose to participate in the program may enroll by complying with the procedures established by the corporation. The procedures must include, but are not limited to:

1. Submission of required information.
2. Compliance with federal tax requirements for the establishment of a cafeteria plan, pursuant to s. 125 of the Internal Revenue Code, including designation of the employer's plan as a premium payment plan, a salary reduction plan that has flexible spending arrangements, or a salary reduction plan that has a premium payment and flexible spending arrangements.
3. Determination of the employer's contribution, if any, per employee, provided that such contribution is equal for each eligible employee.
4. Establishment of payroll deduction procedures, subject to the agreement of each individual employee who voluntarily participates in the program.
5. Designation of the corporation as the third-party administrator for the employer's health benefit plan.
6. Identification of eligible employees.
7. Arrangement for periodic payments.
8. Employer notification to employees of the intent to transfer from an existing employee health plan to the program at least 90 days before the transition.

(d) Eligible vendors and the products and services that the vendors are permitted to sell are as follows:

1. Insurers licensed under chapter 624 may sell health insurance policies, limited benefit policies, other risk-bearing coverage, and other products or services.
2. Health maintenance organizations licensed under part I of chapter 641 may sell health insurance policies, limited benefit policies, other risk-bearing products, and other products or services.
3. Prepaid health clinic service providers licensed under part II of chapter 641 may sell prepaid service contracts and other arrangements for a specified amount and type of health services or treatments.
4. Health care providers, including hospitals and other licensed health facilities, health care clinics, licensed health professionals, pharmacies, and other licensed health care providers, may sell service contracts and arrangements for a specified amount and type of health services or treatments.
5. Provider organizations, including service networks, group practices, professional associations, and other incorporated organizations of providers, may sell service contracts and arrangements for a specified amount and type of health services or treatments.
6. Corporate entities providing specific health services in accordance with applicable state law may sell service contracts and arrangements for a specified amount and type of health services or treatments.

A vendor described in subparagraphs 3.-6. may not sell products that provide risk-bearing coverage unless that vendor is authorized under a certificate of authority issued by the Office of Insurance Regulation under the provisions of the Florida Insurance Code. Otherwise eligible vendors may be excluded from participating in the program for deceptive or predatory practices, financial insolvency, or failure to comply with the terms of the participation agreement or other standards set by the corporation.

(e) Eligible individuals may voluntarily continue participation in the program regardless of subsequent changes in job status or Medicaid eligibility. Individuals who join the program may participate by complying with the procedures established by the corporation. These procedures must include, but are not limited to:

1. Submission of required information.
2. Authorization for payroll deduction.
3. Compliance with federal tax requirements.

4. Arrangements for payment in the event of job changes.
5. Selection of products and services.

(f) Vendors who choose to participate in the program may enroll by complying with the procedures established by the corporation. These procedures must include, but are not limited to:

1. Submission of required information, including a complete description of the coverage, services, provider network, payment restrictions, and other requirements of each product offered through the program.
2. Execution of an agreement to make all risk-bearing products offered through the program guaranteed-issue policies, subject to preexisting condition exclusions established by the corporation.
3. Execution of an agreement that prohibits refusal to sell any offered non-risk-bearing product to a participant who elects to buy it.
4. Establishment of product prices based on age, gender, and location of the individual participant.
5. Arrangements for receiving payment for enrolled participants.
6. Participation in ongoing reporting processes established by the corporation.
7. Compliance with grievance procedures established by the corporation.

(g) Health insurance agents licensed under part IV of chapter 626 are eligible to voluntarily participate as buyers' representatives. A buyer's representative acts on behalf of an individual purchasing health insurance and health services through the program by providing information about products and services available through the program and assisting the individual with both the decision and the procedure of selecting specific products. Serving as a buyer's representative does not constitute a conflict of interest with continuing responsibilities as a health insurance agent if the relationship between each agent and any participating vendor is disclosed before advising an individual participant about the products and services available through the program. In order to participate, a health insurance agent shall comply with the procedures established by the corporation, including:

1. Completion of training requirements.
2. Execution of a participation agreement specifying the terms and conditions of participation.

3. Disclosure of any appointments to solicit insurance or procure applications for vendors participating in the program.

4. Arrangements to receive payment from the corporation for services as a buyer's representative.

(5) PRODUCTS.--

(a) The products that may be made available for purchase through the program include, but are not limited to:

1. Health insurance policies.
2. Limited benefit plans.
3. Prepaid clinic services.
4. Service contracts.
5. Arrangements for purchase of specific amounts and types of health services and treatments.
6. Flexible spending accounts.

(b) Health insurance policies, limited benefit plans, prepaid service contracts, and other contracts for services must ensure the availability of covered services and benefits to participating individuals for at least 1 full enrollment year.

(c) Products may be offered for multiyear periods provided the price of the product is specified for the entire period or for each separately priced segment of the policy or contract.

(d) The corporation shall provide a disclosure form for consumers to acknowledge their understanding of the nature of, and any limitations to, the benefits provided by the products and services being purchased by the consumer.

(6) PRICING.--Prices for the products sold through the program must be transparent to participants and established by the vendors based on age, gender, and location of participants. The corporation shall develop a methodology for evaluating the actuarial soundness of products offered through the program. The methodology shall be reviewed by the Office of Insurance Regulation prior to use by the corporation. Before making the product available to individual participants, the corporation shall use the methodology to compare the expected health care costs for the covered services and benefits to the vendor's price for that coverage. The results shall be reported to individuals participating in the program. Once established, the price set by the vendor must remain in force for at least 1 year and may only be redetermined by the vendor at the next annual enrollment period. The corporation shall annually assess a

surcharge for each premium or price set by a participating vendor. The surcharge may not be more than 2.5 percent of the price and shall be used to generate funding for administrative services provided by the corporation and payments to buyers' representatives.

(7) EXCHANGE PROCESS.--The program shall provide a single, centralized market for purchase of health insurance and health services. Purchases may be made by participating individuals over the Internet or through the services of a participating health insurance agent. Information about each product and service available through the program shall be made available through printed material and an interactive Internet website. A participant needing personal assistance to select products and services shall be referred to a participating agent in his or her area.

(a) Participation in the program may begin at any time during a year after the employer completes enrollment and meets the requirements specified by the corporation pursuant to paragraph (4)(c).

(b) Initial selection of products and services must be made by an individual participant within 60 days after the date the individual's employer qualified for participation. An individual who fails to enroll in products and services by the end of this period is limited to participation in flexible spending account services until the next annual enrollment period.

(c) Initial enrollment periods for each product selected by an individual participant must last at least 12 months, unless the individual participant specifically agrees to a different enrollment period.

(d) If an individual has selected one or more products and enrolled in those products for at least 12 months or any other period specifically agreed to by the individual participant, changes in selected products and services may only be made during the annual enrollment period established by the corporation.

(e) The limits established in paragraphs (b)-(d) apply to any risk-bearing product that promises future payment or coverage for a variable amount of benefits or services. The limits do not apply to initiation of flexible spending plans if those plans are not associated with specific high-deductible insurance policies or the use of spending accounts for any products offering individual participants specific amounts and types of health services and treatments at a contracted price.

(8) CONSUMER INFORMATION.--The corporation shall establish a secure website to facilitate the purchase of products and services by participating individuals. The website must provide information about each product or service available through the program.

(a) Prior to making a risk-bearing product available through the program, the corporation shall provide information regarding the product to the Office of Insurance Regulation. The office shall review the product information and provide consumer information and a

recommendation on the risk-bearing product to the corporation within 30 days after receiving the product information.

1. Upon receiving a recommendation that a risk-bearing product should be made available in the marketplace, the corporation may include the product on its website. If the consumer information and recommendation is not received within 30 days, the corporation may make the risk-bearing product available on the website without consumer information from the office.

2. Upon receiving a recommendation that a risk-bearing product should not be made available in the marketplace, the risk-bearing product may be included as an eligible product in the marketplace and on its website only if a majority of the board of directors vote to include the product.

(b) If a risk-bearing product is made available on the website, the corporation shall make the consumer information and office recommendation available on the website and in print format. The corporation shall make late-submitted and ongoing updates to consumer information available on the website and in print format.

(9) RISK POOLING.--The program shall utilize methods for pooling the risk of individual participants and preventing selection bias. These methods shall include, but are not limited to, a postenrollment risk adjustment of the premium payments to the vendors. The corporation shall establish a methodology for assessing the risk of enrolled individual participants based on data reported by the vendors about their enrollees. Monthly distributions of payments to the vendors shall be adjusted based on the assessed relative risk profile of the enrollees in each risk-bearing product for the most recent period for which data is available.

(10) EXEMPTIONS.--

(a) Policies sold as part of the program are not subject to the licensing requirements of the Florida Insurance Code, chapter 641, or the mandated offerings or coverages established in part VI of chapter 627 and chapter 641.

(b) The corporation may act as an administrator as defined in s. 626.88 but is not required to be certified pursuant to part VII of chapter 626. However, a third party administrator used by the corporation must be certified under part VII of chapter 626.

(11) CORPORATION.--There is created the Florida Health Choices, Inc., which shall be registered, incorporated, organized, and operated in compliance with part III of chapter 112 and chapters 119, 286, and 617. The purpose of the corporation is to administer the program created in this section and to conduct such other business as may further the administration of the program.

(a) The corporation shall be governed by a 15-member board of directors consisting of:

1. Three ex officio, nonvoting members to include:
 - a. The Secretary of Health Care Administration or a designee with expertise in health care services.
 - b. The Secretary of Management Services or a designee with expertise in state employee benefits.
 - c. The commissioner of the Office of Insurance Regulation or a designee with expertise in insurance regulation.
2. Four members appointed by and serving at the pleasure of the Governor.
3. Four members appointed by and serving at the pleasure of the President of the Senate.
4. Four members appointed by and serving at the pleasure of the Speaker of the House of Representatives.
5. Board members may not include insurers, health insurance agents or brokers, health care providers, health maintenance organizations, prepaid service providers, or any other entity, affiliate or subsidiary of eligible vendors.
 - (b) Members shall be appointed for terms of up to 3 years. Any member is eligible for reappointment. A vacancy on the board shall be filled for the unexpired portion of the term in the same manner as the original appointment.
 - (c) The board shall select a chief executive officer for the corporation who shall be responsible for the selection of such other staff as may be authorized by the corporation's operating budget as adopted by the board.
 - (d) Board members are entitled to receive, from funds of the corporation, reimbursement for per diem and travel expenses as provided by s. 112.061. No other compensation is authorized.
 - (e) There is no liability on the part of, and no cause of action shall arise against, any member of the board or its employees or agents for any action taken by them in the performance of their powers and duties under this section.
 - (f) The board shall develop and adopt bylaws and other corporate procedures as necessary for the operation of the corporation and carrying out the purposes of this section. The bylaws shall:
 1. Specify procedures for selection of officers and qualifications for reappointment, provided that no board member shall serve more than 9 consecutive years.

2. Require an annual membership meeting that provides an opportunity for input and interaction with individual participants in the program.

3. Specify policies and procedures regarding conflicts of interest, including the provisions of part III of chapter 112, which prohibit a member from participating in any decision that would inure to the benefit of the member or the organization that employs the member. The policies and procedures shall also require public disclosure of the interest that prevents the member from participating in a decision on a particular matter.

(g) The corporation may exercise all powers granted to it under chapter 617 necessary to carry out the purposes of this section, including, but not limited to, the power to receive and accept grants, loans, or advances of funds from any public or private agency and to receive and accept from any source contributions of money, property, labor, or any other thing of value to be held, used, and applied for the purposes of this section.

(h) The corporation may establish technical advisory panels consisting of interested parties, including consumers, health care providers, individuals with expertise in insurance regulation, and insurers.

(i) The corporation shall:

1. Determine eligibility of employers, vendors, individuals, and agents in accordance with subsection (4).

2. Establish procedures necessary for the operation of the program, including, but not limited to, procedures for application, enrollment, risk assessment, risk adjustment, plan administration, performance monitoring, and consumer education.

3. Arrange for collection of contributions from participating employers and individuals.

4. Arrange for payment of premiums and other appropriate disbursements based on the selections of products and services by the individual participants.

5. Establish criteria for disenrollment of participating individuals based on failure to pay the individual's share of any contribution required to maintain enrollment in selected products.

6. Establish criteria for exclusion of vendors pursuant to paragraph (4)(d).

7. Develop and implement a plan for promoting public awareness of and participation in the program.

8. Secure staff and consultant services necessary to the operation of the program.

9. Establish policies and procedures regarding participation in the program for individuals, vendors, health insurance agents, and employers.

10. Develop a plan, in coordination with the Department of Revenue, to establish tax credits or refunds for employers that participate in the program. The corporation shall submit the plan to the Governor, the President of the Senate, and the Speaker of the House of Representatives by January 1, 2009.

(12) REPORT.--Beginning in the 2009-2010 fiscal year, submit by February 1 an annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives documenting the corporation's activities in compliance with the duties delineated in this section.

(13) PROGRAM INTEGRITY.--To ensure program integrity and to safeguard the financial transactions made under the auspices of the program, the corporation is authorized to establish qualifying criteria and certification procedures for vendors, require performance bonds or other guarantees of ability to complete contractual obligations, monitor the performance of vendors, and enforce the agreements of the program through financial penalty or disqualification from the program.

History.--s. 4, ch. 2008-32.

EXHIBIT B

FLORIDA HEALTH CHOICES, INC.

DRAFT THIRD PARTY ADMINISTRATION SERVICES CONTRACT

This Contract is entered into between Florida Health Choices, Inc. (“FHC”), a Florida not-for-profit corporation, pursuant to Chapter 617, Florida Statutes and **[enter entity’s COMPLETE LEGAL name], name of state and state type of business entity (“ENTITY”)** to provide _____ services.

BACKGROUND

Use in place of recitals with the traditional “whereas” statements.

Purpose: to provide a brief summary and background of agreement and to put agreement and its purpose in context.

Use complete sentences.

THEREFORE, in consideration of the services to be performed and payments to be made, together with the mutual covenants and conditions hereinafter set forth, the Parties agree as follows:

Section 1 Definitions

- 1-1 “Applicant” means eligible employers and eligible individuals as set forth in Section 409.910(4), Florida Statutes.
- 1-2 “Enrollee” means an individual who meets FHC standards of eligibility and has been enrolled in the Program.
- 1-3 “Florida Statutes” (F.S.) means the Florida Statutes as amended from time to time by the Florida Legislature during the term of this Contract.
- 1-4 “Liquidated Damages” mean the amounts stipulated in this Contract or any Attachments, and agreed to by the Parties as a reasonable estimation of the losses if the ENTITY breaches the terms of the Contract or fails to perform its obligations fully, correctly and on time, as determined in the sole discretion of FHC. The Parties agree that the actual damages in such situations are uncertain and difficult to ascertain. The Parties’ mutual intent in establishing the liquidated damages as set forth in this Contract is to make a good-faith effort and estimation of damages, not to penalize ENTITY.
- 1-5 “Program” means the program administered by FHC as created by and governed under section 408.910, F.S. and related state and federal laws.

Section 2 Term of this Contract

The term of this Contract is for _____ (#) years. The Effective Dates are:

This Contract shall begin on _____, 20__.

This Contract shall end on _____, 20__.

This Contract may be extended at FHC's option for two additional two (2) year periods beyond the initial term indicated above. FHC agrees to notify ENTITY by _____, 20__ if FHC does not intend to exercise the option to extend the Contract. Thereafter, this contract may be extended only by mutual consent of both parties.

Section 3 Fees and Costs

- 3-1 FHC agrees to pay ENTITY at the rate of _____ per _____ for the performance of services under this Contract. However, all billing must be itemized with specificity as to time, date, purpose and specific number of hours.
- 3-2 For the purposes of fulfilling the obligations of this Contract within the scope of its terms, ENTITY may be entitled, in addition to the payment agreed to in subsection 2-1 above, to receive from the funds of FHC, reimbursement for per diem and travel expenses as provided by Section 112.061, F.S., in the same amounts and under the same procedures as Board Members of FHC are entitled to such reimbursements pursuant to Section 408.910, F.S. Per diem and travel expenses, as well as incidentals not specified in this Contract, for which reimbursement is sought must be approved by an authorized officer or employee of FHC before they are incurred for reimbursement to be considered. In addition, ENTITY may be entitled to receive reimbursement for necessary photocopy costs at the rate of twenty (20) cents per page and tele-copies at a rate of one dollar (\$1.00) per page. Reimbursement for postage, express mail and long distance phone calls will be for the expense actually incurred by ENTITY and must be itemized with specificity in billings to FHC so as to identify the individual costs.
- 3-3 ENTITY agrees to bill FHC monthly for all time and charges incurred in meeting the obligations of this Contract. Such bills will include the specificity required by this section of the Contract.
- 3-4 FHC will make payment to ENTITY within thirty (30) calendar days of receiving an invoice from ENTITY provided such billing is in accordance with the terms of this Contract. If FHC requests detail or clarification regarding an invoice, payment shall be made within thirty (30) calendar days of receipt of the detail or clarification.
- 3-5 In the event FHC disagrees with or questions any amount due under an invoice, FHC agrees to pay the amount not in disagreement in accordance with the terms of this Contract, and communicate such disagreement to ENTITY in writing within thirty (30) calendar days of the invoice date. Any claim not made within that period shall be deemed waived.

3-6 The parties agree that under no circumstances shall the total charges to FHC for the performance of this Contract and all associated costs exceed \$_____.

Section 4 Duties of ENTITY

4-1 Deliverables

- A. **[REFER TO ATTACHMENT E AND ABOVE OR INSERT PARTICULARS OF DELIVERABLES AS NEEDED- IF ITN AND RESPONSE ARE INCLUDED IN ATTACHMENT INCLUDE ANY SPECIFICITY NEEDED TO PREVENT CONFLICTS OR CLARITY ISSUES]**

4-2 Records Retention and Accessibility

- A. ENTITY agrees to maintain books, records and documents in accordance with generally acceptable accounting principles which sufficiently and properly reflect all expenditures of funds provided by FHC under this Contract.
- B. ENTITY shall have all records used or produced in the course of the performance of this Contract available at all reasonable times for inspection, review, audit or copying to FHC, any vendor contracted with FHC or any state or federal regulatory agency as authorized by law or FHC. Access to such records will be during normal business hours and will be either through on-site review of records or through the mail. These records shall be retained for a period of at least five (5) years following the term of this Contract, except if an audit is in progress or audit findings are yet unresolved, in which case records shall be kept until all tasks are completed.
- C. ENTITY agrees to cooperate in any evaluative efforts conducted by FHC or an authorized subcontractor of FHC both during and for a period of at least five (5) years following the term of this Contract. These efforts may include a post-Contract audit.
- D. Additionally, ENTITY agrees to provide to FHC, by July 1st (first) each year, an audited financial statement for ENTITY'S preceding fiscal year. If such is not customarily available in the ordinary course of ENTITY'S business, then a written statement from an accountant verifying the financial stability of ENTITY shall be submitted and be subject to the approval of the Chief Executive Officer.
- E. ENTITY shall include all the requirements of this subsection in all approved subcontracts and assignments and ENTITY agrees to require subcontractors and assignees to meet these requirements.

4-3 Use of Subcontractors or Affiliates

ENTITY may contract with subcontractors or affiliates to deliver services under this Contract subject to the following conditions.

- A. ENTITY identified the subcontractor or affiliate in its response to the ITN covered by this Contract.
- B. ENTITY has provided FHC with a copy of the current contract or other written agreement and any amendments for services under this Contract between ENTITY and the subcontractor or affiliate. FHC shall have the right to withhold its approval of any such contracts, agreements and amendments.
- C. ENTITY'S Contract with the subcontractor or affiliate fully complies with all terms and conditions of this Contract between ENTITY and FHC.
- D. ENTITY agrees to notify FHC in advance of the termination of such agreements with any subcontractor or affiliate.
- E. ENTITY shall provide FHC with advance notice of ENTITY'S intent to contract with any new subcontractors or affiliates for services covered under this Contract. Prior to execution, ENTITY shall forward for FHC's review and approval any proposed agreement for services with subcontractors or affiliates.
- F. By April 1st (first) each year, ENTITY agrees to provide FHC with an annual report listing, for the previous calendar year, all subcontractors or affiliates that performed services under this Contract for ENTITY and attaching a copy of ENTITY'S executed contracts with such subcontractors and affiliates.

All agreements between ENTITY and its subcontractor or affiliates to provide services under this Contract shall be reduced to writing and shall be executed by both parties. All such agreements shall also be available to FHC within seven (7) business days of request for production.

Failure of ENTITY to comply with the provisions of this section shall constitute a breach and renders this Contract subject to cancellation by FHC.

4-4 Indemnification

ENTITY shall indemnify, defend and hold FHC, its officers, directors, agents and employees harmless from all claims, losses, suits, judgments or damages, including court costs and attorneys fees, arising out of :

- A. negligence, intentional torts or breach of contract by ENTITY;
- B. any claims or losses attributable to the acts of any subcontractor, person or entity performing or furnishing services, materials, or supplies on behalf of ENTITY in connection with the performance of this Contract whether or not known to FHC; or

- C. any failure of ENTITY, its officers, employees or subcontractors to observe the requirements of applicable Florida or federal law, regardless of whether FHC knew or should have known of such failure.

4-5 Insurance

ENTITY shall not commit any work in connection with the Contract until it has obtained all types and levels of insurance required and approved by FHC. Such coverage may include but not be limited to worker's compensation, liability, fire insurance, and property insurance depending upon the types of services being provided and shall be attached as Attachment___ to this Contract. FHC shall be provided proof of coverage of insurance by a certificate of insurance within ten (10) business days of contract execution. Continuing evidence of insurance coverage must be provided to FHC by July 1st of each year.

FHC shall be exempt from and in no way liable for any sums of money that may represent a deductible in any insurance policy. The payment of such a deductible shall be the sole responsibility of ENTITY and/or subcontractor holding such insurance. The same holds true of any premiums paid on any insurance policy pursuant to this Contract. Failure to provide proof of coverage when requested may result in the Contract being terminated.

Section 5 General Terms and Conditions

5-1 Amendment

This Contract may be amended by mutual written consent of the parties at any time. This Contract shall automatically be amended to the extent necessary from time to time to comply with state or federal laws upon notice by FHC to ENTITY to that effect.

5-2 Assignment

This Contract and the monies that may become due under it may not be assigned by ENTITY without the prior written consent of FHC. Any purported assignment without such consent shall be deemed null and void.

5-3 Attachments

Attachments A through ___ are all incorporated into this Contract by reference. Any conflict between these Attachments and this Contract, the Attachment shall control.

5-4 Attorney Fees

In the event of any legal action, dispute, litigation or other proceeding with relation to this Contract, FHC shall be entitled to recover from ENTITY its attorney fees and costs incurred, whether or not suit is filed, and if filed, at both trial and appellate levels. Legal actions are defined to include administrative proceedings.

5-5 Bankruptcy

FHC shall have the absolute right to elect to continue or terminate this Contract, at its sole discretion, in the event ENTITY or any of its approved subcontractors file a petition for bankruptcy or for approval of a plan of reorganization or arrangement under the Bankruptcy Act. ENTITY shall give FHC notice of the intent to petition for bankruptcy or reorganization or arrangement at the time of the filing and immediately provide a copy of such filing to FHC. FHC shall have thirty (30) calendar days to elect continuation or termination of this Contract.

5-6 Change of Controlling Interest

FHC shall have the absolute right to elect to continue or terminate this Contract, at its sole discretion, in the event of a change in the ownership or controlling interest of ENTITY or any of its approved subcontractors. ENTITY shall give FHC notice of regulatory agency approval, if applicable, prior to any transfer or change in control of documentation of the change of regulatory agency approval is inapplicable. FHC shall have thirty (30) calendar days after receipt of such notice to elect continuation or termination of this Contract.

5-7 Confidentiality

ENTITY shall treat all information, particularly personal or identifying information relating to Applicants or Enrollees that is obtained through its performance under this Contract, as confidential information to the extent confidential treatment is provided under state and federal laws. ENTITY shall not use any information obtained in any manner except as necessary for the proper discharge of its obligations and to secure its rights under this Contract. Such information shall not be divulged without written consent of FHC, the Applicant or the Enrollee. This provision does not prohibit the disclosure of information in summary, statistical or other form which does not identify particular individuals.

ENTITY and FHC mutually agree to maintain the integrity of all proprietary information to the extent provided under the law. Neither party will disclose or allow others to disclose proprietary information as determined by law by any means to any person without prior written approval of the other party. All proprietary information will be so designated. This requirement does not extend to routine reports and membership disclosure necessary for efficient management of the Program.

ENTITY understands that FHC is subject to the Florida Public Records Act, Section 119.07, F.S. and therefore all such information may be considered a public record and open to inspection. Thus, unless otherwise confidential or exempted by law, ENTITY shall allow public access to all documents, papers, letters, electronic correspondence or other material subject to the provisions of Chapter 119, F.S. and made or received by ENTITY in conjunction with this Contract. However, ENTITY agrees to advise FHC prior to the release of any such information.

5-8 Conflicts of Interest

5-8-1 Conflicts of Interest

ENTITY confirms that to the best of its knowledge, the responsibilities and duties assumed pursuant to this Contract are not in conflict with any other interest to which ENTITY is obligated or from which ENTITY benefits. Further, ENTITY agrees to inform FHC immediately after becoming aware of any conflicts of interest which it may have with the interests of FHC, as set forth in this Contract and which may occur in the future.

Within ten (10) days of contract execution, ENTITY shall submit a disclosure form identifying any relationships, financial or otherwise with any FHC Board Member, or any employee of FHC.

5-8-2 Gift Prohibitions

In accordance with FHC Corporate Policies, ENTITY affirms its understanding that FHC Board Members and FHC Employees are prohibited from accepting any gifts, including but not limited to, any meal, service or item of value even de minimus from those entities that conduct or seek to conduct business with FHC.

5-8-3 Non-Solicitation

ENTITY recognizes and acknowledges that as a result of this Contract ENTITY will come into contact with employees of FHC and that these employees have received considerable training by FHC. ENTITY agrees not to solicit, recruit or hire any individual who is employed by FHC during the term of this Contract. This prohibition shall be in effect for both the term of this Contract, for any extensions thereof, and twelve (12) months immediately following contract termination or expiration

5-9 Entire Understanding

This Contract with all Attachments incorporated by reference embodies the entire understanding of the parties relating to the subject matter of this Contract, and supersedes all other agreements, negotiations, understanding, or representations, verbal or written, between the parties relative to the subject matter hereof.

5-10 Force Majeure

Neither party shall be responsible for delays of failure in performance of its obligations under this Contract resulting from acts beyond the control of the party. Such acts shall include, but are not limited to, blackouts, riots, acts of war, terrorism, epidemics, government regulations on statutory amendments adopted following the date of execution of this Contract, fire communication line failure, computer hardware failure, computer executive software failure, power failure or shortage, fuel shortages, hurricanes or other natural disasters.

5-11 Governing Law; Venue

This Contract shall be governed by applicable state and federal laws and regulations as such may be amended during the term of the Contract, whether or not expressly included or referenced in this Contract.

ENTITY agrees to comply with the following provisions as such may from time to time be amended during the term of this Contract:

- A. Title VI of the Civil Rights Act of 1964, as amended, 42 U.S.C. 2000d et seq., which prohibits discrimination on the basis of race, color or national origin.
- B. Section 504 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. 794, which prohibits discrimination on the basis of handicap.
- C. Title XI of the Education Amendments of 1972, as amended 29, U.S.C. 601 et seq., which prohibits discrimination on the basis of sex.
- D. The Age Discrimination Act of 1975, as amended, 42 U.S.C. 6101 et seq., which prohibits discrimination on the basis of age.
- E. Section 654 of the Omnibus Budget Reconciliation Act of 1981, as amended, 42 U.S.C. 9848, which prohibits discrimination on the basis of race, creed, color, national origin, sex, handicap, political affiliation or beliefs.
- F. The American Disabilities Act of 1990, P.L. 101-336, which prohibits discrimination on the basis of disability and requires accommodation for persons with disabilities.
- G. Section 274A (e) of the Immigration and Nationalization Act, FHC shall consider the employment by any contractor of unauthorized aliens a violation of this Act.
- H. OMB Circular A-110 (Appendix A-4) which identifies procurement procedures which conform to applicable federal law and regulations with regard to debarment, suspension, ineligibility, and involuntary exclusion of contracts and subcontracts and as contained in Attachment A of this Contract. Covered transactions include procurement contracts for services equal to or in excess of one hundred thousand dollars (\$100,000.00) and all non-procurement transactions.
- I. All applicable state and federal laws and regulations governing FHC.
- J. All regulations, guidelines and standards as are now or may be lawfully adopted under the above statutes.

ENTITY agrees that compliance with this assurance constitutes a condition of continued receipt of or benefit from funds provided through this Contract and such compliance is binding upon ENTITY, its successors, transferees and assignees for the period during which services are provided. ENTITY further agrees that all contractors, subcontractors, subgrantees or others with whom it arranges to provide goods, services or benefits in

connection with any of its programs and activities are not discriminating against either those whom they employ nor those to whom they provide goods, services or benefits in violation of the above statutes, regulations, guidelines and standards.

It is expressly understood that evidence of ENTITY'S refusal or failure to substantially comply with this section or such failure by ENTITY'S subcontractors or anyone with whom ENTITY affiliates in performing under this Contract shall constitute a breach and renders this Contract subject to unilateral cancellation by FHC.

Any legal action with respect to the provisions of this Contract shall be brought in state court in Leon County, Florida.

5-12 Independent Contractor

The relationship of ENTITY to FHC shall be solely that of an independent contractor. The parties acknowledge and agree that neither party has the authority to make any representation, warranty or binding commitment on behalf of the other party, except as expressly provided in this Contract or as otherwise agreed to in writing by the parties, and nothing contained in this Contract shall be deemed or construed to (i) create a partnership or joint venture between the parties or any affiliate, employee or agent of a party; or (ii) constitute any party or any employee or agent of a party as an employee or agent of the other party.

5-13 Name and Address of Payee

The name and address of the official payee to whom the payment shall be made:

For ENTITY:

Name
Address
Email

5-14 Notice and Contact

All notices required under this section shall be in writing and may be delivered by certified mail with return receipt requested, by facsimile with proof of receipt, by electronic mail with proof of receipt or in person with proof of delivery.

Notice required or permitted under this Contract shall be directed as follows:

For FHC:

Administrative Services Manager
Florida Health Choices, Inc.
225 South Adams Street, Suite 250
Tallahassee, FL 32301
850-222-0933 (Phone)
850-222-8222 (Fax)

For ENTITY:

Name

Address

Phone/fax

Email

In the event that different contact persons are designated by either party after execution of this Contract, notice of the name and address of the new contact will be sent to the other party and be attached to the originals of this Contract.

5-15 Severability

If any of the provisions of this Contract are held to be inoperative by a court of competent jurisdiction, such a provision shall be severed from the remaining provisions of the Contract which shall remain in full force and effect.

5-16 Survival

The provisions of the following sections: Records Retention and Accessibility; Attorney Fees; Confidentiality; Conflicts of Interest; Non-Solicitation and Governing Law; Venue shall survive any termination of this Contract.

5-17 Termination of Contract

A. Termination for Lack of Funding

This Contract is subject to the continuation and approval of funding to FHC from state, federal and other sources. FHC shall have the absolute right, in its sole discretion, to terminate this Contract if funding for the Program is to be changed or terminated such that this Contract could not be sustained. FHC shall send ENTITY notice of termination and include a termination date of not less than thirty (30) calendar days from the date of the notice.

B. Termination for Lack of Payment

If FHC fails to make payments in accordance with the schedule included in this Contract, ENTITY may suspend work and pursue the appropriate remedies for FHC's breach of its payment obligations. ENTITY must provide FHC at least thirty (30) calendar days written notice of any suspension due to lack of payment and allow FHC an opportunity to correct the default prior to suspension of work.

C. Termination for Lack of Performance or Breach

The continuation of this Contract is contingent upon the satisfactory performance of the ENTITY and corresponding evaluations by FHC. If ENTITY fails to make timely progress on the objectives of this Contract or fails to meet the deliverables described under this Contract in the time and manner prescribed, FHC reserves the right to terminate this Contract, or any part herein, at its discretion and such

termination shall be effective at such times as is determined by FHC. In its sole discretion, FHC may allow ENTITY to cure any performance deficiencies prior to termination.

FHC further reserves the right to terminate this Contract by written notice to the ENTITY for breach of any provision of the Contract by the ENTITY, for the ENTITY's failure to perform satisfactorily any requirement of this Contract, or for any defaults in performance of this Contract, as determined in FHC's sole discretion.

Waiver of the failure to perform satisfactorily or of breach of any provision of this Contract shall not be deemed to be a waiver of any other failure to perform or breach and shall not be construed to be a modification of the terms of this Contract.

- D. FHC may terminate this Agreement in the event of a Material Breach of any material term or condition hereof, if such breach is not cured to the reasonable satisfaction of the non-breaching party within ten (10) calendar days after the non-breaching party has given written notice thereof to the breaching party. In the event the ENTITY cannot perform the cure within ten (10) days, after the receipt of notice from FHC, and FHC is satisfied, in its sole discretion, that the ability to cure is not the fault of the ENTITY, FHC may establish a timetable for cure and such decision by FHC shall be final. A "Material Breach" shall mean the failure to perform any of the duties, requirements, terms or conditions set forth herein, and shall mean a violation of any duty, responsibility of the ENTITY required under this Contract, or any applicable state or federal laws or a rule or regulations.

It is expressly understood that evidence of ENTITY'S refusal to substantially comply with this Contract or such failure by ENTITY'S subcontractors, assignees or affiliates performing under this Contract shall constitute a Material Breach of this Contract.

- E. Termination upon Revision of Applicable Law

FHC and ENTITY agree if federal or state revisions of any applicable laws or regulations restrict FHC's ability to comply with the Contract, make such compliance impracticable, frustrate the purpose of the Contract or place the Contract in conflict with FHC's ability to adhere to its statutory purpose, FHC may unilaterally terminate this Contract. FHC shall send ENTITY notice of termination and include a termination date of not less than thirty (30) calendar days from the date of notice.

- F. Termination upon Mutual Agreement

With mutual agreement of both parties, this Contract, or any part herein, may be terminated on an agreed date prior to the end of the Contract without penalty to

either party.

5-18 Transition Plan and Process

Upon the expiration or termination of this Contract for any reason, should FHC choose to use another vendor, ENTITY shall ensure a smooth transition. ENTITY shall provide a transition plan to FHC within [number of days (___)] business days of notice of the expiration or termination of this Contract. Acceptance of the transition plan shall be determined in the sole discretion of FHC. Failure for the ENTITY to provide a timely transition plan acceptable to FHC shall be cause to hold the ENTITY in default and for failure to perform; and in such event liquidated damages in the amount of [_____ DOLLARS (\$_____.00)] per day may be charged against the ENTITY. FHC also may withhold payment to ENTITY for nonperformance or unsatisfactory performance of the terms of this Contract.

ENTITY shall provide staff, services and other resources for consultation and the successful and complete transition after the expiration or termination of this Contract, as requested by FHC. The "Transition Period" required is estimated to be [_____ (___)] months after the expiration or termination of this Contract. In the event, the actual Transition Period extends longer than the estimated Transition Period; the ENTITY shall continue to perform the duties pursuant to this Contract and to provide the necessary level of staff, services and other resources until the actual Transition Period is completed successfully, as determined in the sole discretion of FHC.

During the actual Transition Period, FHC agrees to continue payment to ENTITY, pursuant to Section 3 of this Contract. However such payment shall be prorated and limited to the actual duties performed by the ENTITY and the staff, services and other resources provided during the actual Transition Period, as requested and required by FHC. The ENTITY's billing shall be itemized with specificity as to time, date, purpose and specific number of hours and document the actual staff, services and other resources provided during the actual Transition Period.

[TWO (2) SIGNATURE PAGES FOLLOWS]

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IN WITNESS WHEREOF, the Parties have caused this Contract, to be executed by their undersigned officials as duly authorized.

FOR

ENTITY:

NAME:

TITLE:

DATE SIGNED:

STATE OF _____)

)

COUNTY OF _____)

The foregoing instrument was acknowledged to me before this _____ day of _____, 2010, by _____, as _____ on behalf of _____. He/She is personally known to me or has produced _____ as identification.

Signature

Notary Public – State of Florida

Print, Type or Stamp Name of Notary Public

My Commission Expires

WITNESS #1 SIGNATURE _____

WITNESS #1 PRINT NAME _____

WITNESS #2 SIGNATURE _____

WITNESS #2 PRINT NAME _____

FOR

FLORIDA HEALTH CHOICES, INC.:

NAME: Rose M. Naff

TITLE: Chief Executive Officer

DATE SIGNED:

STATE OF FLORIDA)

COUNTY OF _____)

The foregoing instrument was acknowledged to me before this _____ day of _____, 20____, by Rose M. Naff, as Chief Executive Officer on behalf of the Florida Health Choices, Inc. He is personally known to me or has produced _____ as identification.

Signature

Notary Public – State of Florida

Print, Type or Stamp Name of Notary Public

My Commission Expires

WITNESS #1 SIGNATURE

WITNESS #1 PRINT NAME

WITNESS #2 SIGNATURE

WITNESS #2 PRINT NAME

Reviewed by:

Date: ____/____/20____

Wilbur E. Brewton

Fla Bar Number: xxxxxxxxx

**CONTRACT ATTACHMENT A
CERTIFICATION REGARDING DEBARMENT, SUSPENSION, INELIGIBILITY and VOLUNTARY
EXCLUSION
CONTRACTS AND SUBCONTRACTS**

This certification is required by the regulations implementing Executive Order 12549, Debarment and Suspension, signed February 18, 1986. The guidelines were published in the May 29, 1987, Federal Register (52 Fed. Reg., pages 20360-20369). **ADD MEDICAID AND MEDICARE LANGUAGE REQUESTED BY THE BOARD**

INSTRUCTIONS

- A. *Each entity whose contract\subcontract equals or exceeds twenty five thousand dollars (\$25,000) in federal monies must sign this certification prior to execution of each contract\subcontract. Additionally, entities who audit federal programs must also sign, regardless of the contract amount. The Florida Health Choices, Inc. chooses not to contract with these types of Entities if they are debarred or suspended by the federal government.*
- B. *This certification is a material representation of fact upon which reliance is placed when this contract\subcontract is entered into. If it is later determined that the signer knowingly rendered an erroneous certification, the Federal Government may pursue available remedies, including suspension and/or debarment.*
- C. *ENTITY shall provide immediate written notice to the contract manager at any time ENTITY learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.*
- D. *The terms "debarred," "suspended," "ineligible," "person," "principal," and "voluntarily excluded," as used in this certification, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the contract manager for assistance in obtaining a copy of those regulations.*
- E. *ENTITY agrees by submitting this certification that, it shall not knowingly enter into any subcontract with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this contract/subcontract unless authorized by the Federal Government.*
- F. *ENTITY further agrees by submitting this certification that it will require each subcontractor of this contract/subcontract whose payment will equal or exceed twenty five thousand dollars (\$25,000) in federal monies, to submit a signed copy of this certification.*
- G. *The Florida Health Choices, Inc. may rely upon a certification of Entity that it is not debarred, suspended, ineligible, or voluntarily excluded from contracting\subcontracting unless it knows that the certification is erroneous.*
- H. *This signed certification must be kept in the contract manager's file. Subcontractor's certifications must be kept at the contractor's business location.*

CERTIFICATION

Entity certifies, by signing this certification, that neither Entity nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract/subcontract by any federal agency.

Where Entity is unable to certify to any of the statements in this certification, Entity shall attach an explanation to this certification.

Signature (Above)

Date of Signature

Name and Title of Authorized Signatory:

Name of Entity and Business Address:

**CONTRACT ATTACHMENT B
CERTIFICATION REGARDING LOBBYING
CERTIFICATION FOR CONTRACTS, GRANTS, LOANS AND COOPERATIVE CONTRACTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress or an employee of a member of congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative Contract and the extension, continuation, renewal, amendment or modification of any federal contract, grant, loan or cooperative Contract.
- (2) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of congress, an officer or employee of congress or an employee of a member of congress in connection with this federal contract, grant, loan or cooperative Contract, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans and cooperative Contracts) and that all subrecipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than ten thousand dollars (\$10,000.00) and not more than one hundred thousand dollars (\$100,000.00) for each such failure.

Signature (Above)

Date of Signature

Name and Title of Authorized Signatory:

Name of Entity and Business Address:

**CONTRACT ATTACHMENT C
REGARDING HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT
OF 1996 COMPLIANCE:
BUSINESS ASSOCIATE (BA) AGREEMENT**

THIS BA AGREEMENT (Attachment C), is entered into and made between Florida Health Choices, Inc., a Florida non-profit corporation, (FHC) (the "Covered Entity") and _____ (the "BA") and is incorporated in the Services Contract (Contract) between FHC and _____.

1. HIPAA Compliance. FHC and BA agree to comply with the Health Insurance Portability and Accountability Act of 1996, Pub. L. No. 104-191, as amended from time to time ("HIPAA"). Pursuant to HIPAA, FHC meets the definition of a covered entity and BA meets the definition as a business associate. As a covered entity, FHC must obtain and document satisfactory assurances from business associates, such as BA, that BA shall appropriately safeguard the individually identifiable health information which is personal health information ("PHI") and/or electronic protected health information ("E PHI") through a written contract or other written agreement such as this Attachment.
2. Definitions For Use in This Attachment. Terms used, but not otherwise defined, in this Attachment and the Agreement shall have the same meaning as those terms in 45 C.F.R. Parts 160, 162 and 164.
3. Privacy Obligations and Activities of BA. BA shall ensure compliance with the HIPAA Standards for Privacy of Individually Identifiable Health Information, 45 C.F.R. Part 160 and Part 164 (the "Privacy Rule"). Without limiting the generality of the foregoing, BA agrees that it will, in accordance with HIPAA, comply with the following:
 - BA agrees to not use or disclose personal health information PHI other than as permitted or required by this Attachment, the Agreement or as Required By Law.
 - BA agrees to use appropriate safeguards to prevent use or disclosure of PHI other than as provided for by this Attachment and the Agreement.
 - BA shall implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of EPHI that it creates, receives, maintains or transmits on behalf of the Covered Entity.
 - BA agrees to mitigate, to the extent practicable, any harmful effect that is known to BA of a use or disclosure of PHI by BA in violation of the requirements of this Attachment, the Agreement and HIPAA.
 - BA agrees to report to Covered Entity any use or disclosure of PHI not provided for by this Attachment and the Agreement of which it becomes aware, within twenty (20) business days.
 - BA shall promptly report to Covered Entity any "security incident" of which it becomes aware; as such term is defined in the HIPAA Security Rule. At the request of Covered Entity, BA shall identify: the date of the security incident, the scope of the security incident, the BA's response to the security incident and the identification of the party responsible for causing the security incident, if known.
 - BA agrees to ensure that any agent, including a subcontractor, to whom it provides PHI and/or EPHI received from, or created or received by BA on behalf of Covered Entity, agrees to the same restrictions and conditions that apply through this Attachment and the Agreement to BA with respect to such information.
 - BA agrees to provide access, at the written request of Covered Entity, within ten (10) business days of the written request (five (5) additional business days are permitted if written request provided by the U.S. Postal Service ("USPS")), to PHI in a Designated Record Set ("DRS"), to Covered Entity or, as directed by Covered Entity, to an Individual in order to meet the requirements under 45 CFR §164.524. In the event any Individual requests

access to PHI directly from BA, BA shall forward written notice of such request, to Covered Entity within ten business (10) days (five (5) additional business days are permitted if written notice provided by U.S.P.S.). Any denials of access to the PHI requested shall be the responsibility of Covered Entity.

BA agrees to make any amendment(s) to PHI in a DRS that the Covered Entity directs or agrees to pursuant to 45 CFR §164.526 at the written request of Covered Entity or an Individual, within twenty (20) business days of the written request (five (5) additional business days are permitted if written request provided by U.S.P.S.).

BA agrees to make internal practices, books, and records, including policies and procedures and PHI, relating to the use and disclosure of PHI received from, or created or received by BA on behalf of, Covered Entity available to the Covered Entity and to the Secretary, within fifteen (15) business days notice of the Secretary's request (five (5) additional business days permitted if notice provided by U.S.P.S.) or in the time and manner designated by the Secretary, for purposes of the Secretary determining Covered Entity's HIPAA compliance.

BA agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528.

BA agrees to provide to Covered Entity, or an Individual at the request of the Covered Entity, within fifteen (15) business days (five (5) additional business days are permitted if written notice provided by U.S.P.S.) of written notice by Covered Entity to BA that Covered Entity has received a request for an accounting of PHI disclosures regarding an Individual during the six (6) years prior to the date on which the accounting was requested, information collected in accordance with Section 2.i. of this Attachment, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures, pursuant to 45 CFR §164.528.

4. Security. BA shall ensure compliance with the HIPAA Security Standards for the Protection of Electronic Protected Health Information ("EPHI"), 45 C.F.R. Part 160 and Part 164, Subparts A and C (the "Security Rule"), with respect to Electronic Protected Health Information covered by this Agreement effective on the compliance date for initial implementation of the security standards set for in 45 C.F.R. §164.318. Without limiting the generality of the foregoing, BA agrees that it will, in accordance with HIPAA:

Implement administrative, physical, and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of the Electronic Protected Health Information that it creates, receives, maintains, or transmits on behalf of Covered Entity as required by 45 C.F.R. Part 164, Subpart C.

Ensure that any agent, including a subcontractor, to whom it provides such information, agrees to implement reasonable and appropriate safeguards to protect it;

Report to the Covered Entity any security incident of which it becomes aware;

Ensure the confidentiality, integrity, and availability of all Electronic Protected Health it creates, receives, maintains, or transmits;

Protect against any reasonably anticipate threats or hazards to the security or integrity of such information;

Protect against any reasonably anticipated uses or disclosures of such information that are not permitted or required under HIPAA; and

Ensure compliance with 45 C.F.R. Part 164, Subpart C (Security Standards for the Protection of Electronic Protected health Information) by its workforce.

5. Electronic Transaction And Code Sets. BA shall comply with the HIPAA Standards for Electronic Transactions and Code Sets, 45 C.F.R. Parts 160 and 162, with respect to Electronic Protected Health Information covered by this Agreement. Without limiting the generality of the foregoing, BA agrees that it will, in accordance with 45 C.F.R. § 162.923(c):

Comply with all applicable requirements of 45 C.F.R. Part 162; and

Require any agent or subcontractor to comply with all applicable requirements of 45 C.F.R. Part 162.

6. Permitted Uses and Disclosures by BA - General Use and Disclosure Provisions. Except as otherwise limited in this Attachment, BA may use or disclose PHI to perform functions, activities, or services for, or on behalf of, Covered Entity as specified in the Agreement, provided that such use or disclosure would not violate HIPAA if done by Covered Entity or the minimum necessary policies and procedures of Covered Entity.

7. Permitted Uses and Disclosures by BA - Specific Use and Disclosure Provisions.

Except as otherwise limited in this Attachment and the Agreement, BA may use PHI for the proper management and administration of BA or to carry out BA's legal responsibilities.

Except as otherwise limited in this Attachment and the Agreement, BA may disclose PHI for the BA's proper management and administration, provided that disclosures are Required By Law, or BA obtains reasonable assurances from the person to whom the information is disclosed that the information will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies BA of any instances of which it is aware in which the confidentiality of the information has been breached.

Except as otherwise limited in this Attachment and the Agreement, BA may use PHI to provide Data Aggregation services to Covered Entity as permitted by 42 C.F.R. §164.504(e)(2)(i)(B).

BA may use PHI to report violations of law to appropriate Federal and State authorities, consistent with 42 C.F.R. §164.502(j)(1).

8. Provisions for Covered Entity to Inform BA of Privacy Practices and Restrictions.

Covered Entity shall notify BA of any limitation(s) in its notice of privacy practices of Covered Entity in accordance with 45 CFR §164.520, to the extent that such limitation may affect BA's use or disclosure of PHI.

Covered Entity shall notify BA of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent that such changes may affect BA's use or disclosure PHI.

Covered Entity shall notify BA of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR §164.522, to the extent that such restriction may affect BA's use or disclosure of PHI.

9. Term and Termination.

Term. The Term of this Attachment shall be effective concurrent with the Agreement, and shall terminate when all of the PHI provided by Covered Entity to BA, or created or received by BA on behalf of Covered Entity, is destroyed or returned to Covered Entity, or, if it is infeasible to return or destroy PHI, protections are extended to such information, in accordance with the termination provisions in this Section.

Termination for Cause. Upon Covered Entity's knowledge of a breach by BA, Covered Entity shall either:

Provide an opportunity for BA to cure the breach or end the violation and terminate this Attachment and/or the Agreement if BA does not cure the breach or end the violation within thirty (30) calendar days (five (5) additional calendar days are permitted if written notice provided by U.S.P.S.) of Covered Entity's notice to BA of the Covered Entity knowledge of the BA's breach; or

Immediately terminate this Attachment and the Agreement if BA has breached a term of this Attachment and/or the Agreement and cure is not possible; as determined at the sole discretion of Covered Entity; or

If neither termination nor cure is feasible, Covered Entity shall report the violation to the Secretary.

Effect of Termination.

Except as provided in paragraph (ii) of this Section, upon termination of this Attachment and the Agreement, for any reason, BA shall return or destroy all PHI received from Covered Entity, or created or received by BA on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of any subcontractors

or agents of BA, and BA has the duty to insure that any of its subcontractors or agents comply with these termination provisions. Neither BA, nor any of its subcontractors or agents, shall retain any copies of PHI upon termination of this Attachment and the Agreement.

In the event that BA determines that returning or destroying the PHI is infeasible, BA shall provide to Covered Entity written notification of the conditions that make return or destruction infeasible thirty (30) calendar days (five (5) additional calendar days are permitted if written notice provided by U.S.P.S.) prior to the termination of the Agreement or within thirty (30) calendar days (five (5) additional calendar days are permitted if written notice provided by U.S.P.S.) of BA's notice of Covered Entity's knowledge of a breach of this Attachment and/or the Agreement. Upon mutual agreement of the parties that return or destruction of PHI is infeasible; BA shall extend the protections of this Attachment and the Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible, for so long as BA maintains such PHI.

10. Miscellaneous.

Regulatory References. A reference in this Attachment and the Contract to a section in HIPAA means the section as in effect or as amended.

Amendment. The Parties agree to take such action as is necessary to amend this Attachment and the Agreement, from time to time, as is necessary for Covered Entity to comply with the requirements of HIPAA.

Survival. The respective rights and obligations of BA under Section 9.c., "Effect of Termination," of this Attachment shall survive the termination of this Attachment and the Contract.

Interpretation. Any ambiguity in this Attachment and the Contract shall be resolved to permit Covered Entity to comply with HIPAA.

(ONE (1) HIPAA SIGNATURE PAGE FOLLOWS)

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CONTRACT ATTACHMENT D – DISCLOSURE FORM

ENTITY NAME: _____

The following are relationships, business and personal, that may create a conflict of interest that ENTITY is hereby disclosing:

Type of Relationship (Business, Personal)	Name of Organization or Individual	Status of Organization or Individual (Current Contractor, Applicant, Enrollee, etc.)	Term of Relationship

By my signature, I certify that the information contained in this report and any attachments to this document are true representations. INSURER understands that if any information is found to be false that the Contract between FHC and INSURER may be terminated at FHC's sole discretion.

Submitted By:

Date of Submission:

(Signature Above)

Name:

Title

EXHIBIT C
DRAFT PERFORMANCE STANDARDS

Performance Measure	Standard
Complaints	Complaint resolution - within 15 days of complaint receipt
Complaints	Fewer than 3% complaints per month
Complete research requests submitted by the Corporation	Requests discussed with Corporation within 2 business days
Respond to all communication from the Corporation	Response within 1 business day
Implementation	Implementation per agreed schedule (100%)
Customer Service	
Data entry is accurate	Error rate less than 1% of records
Incoming calls will be answered by a customer service representative	Answer 95% of incoming calls within 30 Seconds
Maintain a reasonable abandoned call rate	No more than 5% of incoming calls are abandoned on a monthly basis
Maintain a reasonable blocked call rate	No more than 1% of incoming calls are blocked on a monthly basis.
Email responses will be timely.	98% of incoming emails will receive response within 1 business day
Return voice mails	98% of voice mails will receive response within 1 business day
Respond to questions from participants that require additional research within one business day	98% of questions will receive response within 1 business day

The average monthly monitoring score for all customer service representatives	Exceed 85% monthly rating
Establishment and administration of cafeteria plans	Assist employers to file Section 125 applications within 10 days following employer request for assistance
Disseminate information to consumers	98% of Correspondence (email, or hardcopy) accurately sent within 2 business days
Provide access to account information	User access available 98.5% of the time
Provide account payment and coverage verification	99% accuracy
Live call agent for all callers during these hours of operation with option to leave a voice mail	99% availability during agreed schedule
Sufficient numbers of English and Spanish speaking staff during all hours of Center operations	99% availability during agreed schedule
Translation service available for languages not offered by the Center staff	99% availability during agreed schedule
Meeting the needs of hearing-impaired callers	99% availability during agreed schedule
Web-based chat functionality	98.5% availability during agreed schedule
IVR system availability in English & Spanish 24 hours a day, 7 days a week, excluding scheduled downtime for routine maintenance	99% availability
Accept and accurately process payments over the phone or through the IVR at the caller's request	99% availability & 99% accuracy
Open Monday through Friday, from 8:00 a.m. until 6:00 p.m.	99% availability during agreed schedule

Follow up attempts for missing information to process telephonic & on-line requests	Complete 95% within three business days
Returned mail is processed	99% processed within 4 business days following return
Maintain accurate copies of all incoming and outgoing correspondence and furnish copies to the Corporation upon request	Archive in electronic form and produce within 1 business day following Corporation request
Web Portal	
Data detail of program offerings is maintained timely and accurately.	99% accuracy posted within 2 business days following receipt
Provide information to interested persons about available offerings and participating vendors	99% accuracy posted within 2 business days following receipt
Presentation of plan and service options shall be limited to those approved by the Corporation	100% compliance with Corporate approval of plan options
Accept applications through an On-Line process	Process 98% of received applications within 3 business days
On-line application process will inform the user of the documents required and method of submission	Process 98% of updated documents within 3 business days
Renewals are processed timely	98% accuracy within 3 business days following receipt
Web-based choice portal is available for user access	98.5% availability
Eligibility Determination	
Rules for use in determining eligibility	Application of rules with 98% accuracy

Timely and accurately process information submitted via on-line or paper using eligibility criteria	98% processed within 2 business days
An electronic record is created from a paper application within two business days	98% accurately processed within 2 business days
Determination of eligibility will generate correspondence to the applicant confirming the outcome	98% processed within 2 business days
Documents transmitted by U.S. mail or electronic means copied, maintained and retrievable	Archive 100% for duration of contract
A method to inform the enrolled employer of eligibility outcomes for associated employees	98% processed within 2 business days
Support additional screening for referral to state/federal agencies	98% made within 2 business days following determination
Accept electronic referrals from state-administered programs for eligibility determination & enrollment	98% processed within 2 business days
Ensure that file transmission are exported and imported within mutually agreed time frames	99% processed within 2 business days
File transmission will be exported and imported accurately.	99% accuracy
Enrollment Management	
Application Processing	Process 98% of received applications within 3 business days
Application, renewals and related documents are linked to the appropriate electronic record	99% accuracy
Correspondence / documentation linked to the proper account and processed	98% accurately processed within 2 business days

Security measures	100% compliance with state & federal requirements
Cancellation/reinstatement function	99% processed within 2 business days
Transmission reconciliation	Daily reconciliation reported with 99% accuracy
Transmissions of participant information to choice of insurer, health plan, or other service providers	99% processed within 2 business days
Electronic transmission of enrollment data to the Corporation's evaluation and research subcontractor	Within 5 business days following the last day of the reporting period & 99% accuracy
Account terminations (due to death or disenrollment)	99% processed within 2 business days
Duplicate applications	Reconciled with 99% accuracy
Receipts daily	Daily reconciliation reported with 99% accuracy
Financial Services	
Calculate and facilitate the collection of participant and third party contributions	99% accuracy
Maintain account payment history and account coverage history	99% accuracy
Generate detailed reports the Corporation will use for remittance of premiums and other contributions	99% accuracy reported
Process premium payments timely and accurately	98% accuracy processed within 3 days following receipt
Process refunds	98% accuracy processed within 10 days
Process non-sufficient fund payments	98% accuracy processed within 3 days following receipt

Process suspense items	98% accuracy processed within 3 days following suspension
Timely and accurate research for payments that are misapplied or for payments that are received with insufficient information to identify proper application of the payment	98% accuracy processed within 3 days following suspension
Financial balancing on a regular and frequent basis	99% accurate monthly reports delivered by 5th day of following month
Establish and make available an on-line calculator	98% accuracy. 98.5% availability
Reporting	
Submit all required reports to the Corporation	99%
Reports are accurate	99%
pre-defined reports	TBD