



## INVITATION TO AMEND AND NEGOTIATE

For  
HEALTH CHOICES:  
A Small Business Health Insurance Marketplace

Florida Health Choices, Inc.  
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## TABLE OF CONTENTS

I.	Introduction.....	Page 3
II.	Designated Contacts.....	Page 4
III.	2010 Calendar of Events.....	Page 5
IV.	Background.....	Page 6
V.	Target Population.....	Page 8
VI.	Offerings.....	Page 9
VII.	Project Specifications.....	Page 10
VIII.	Contract Period and Terms.....	Page 29
IX.	Solicitation Conditions.....	Page 32
X.	Technical Proposal Requirements.....	Page 38
XI.	Cost Proposal Requirements.....	Page 61
XII.	Evaluation.....	Page 63
XIII.	Exhibits.....	Page 67

### WHY AN INVITATION TO AMEND?

As a result of the 2010 Invitation to Negotiate, on October 15, 2010, the Florida Health Choices board of directors made three contract awards for Third Party Administration Services. Each successive contract approval was subject to the performance of higher ranked bidders. Recently, the Corporation notified the number two and number three ranked bidders and their subcontractors that the Corporation is exploring options for moving forward with a revised team of solution providers.

Due to the ever changing technology and health care environments and because the Corporation is aware that bidding teams are likely to have changed since submission of proposals for Third Party Administration Services in 2010, the Corporation invites finalists to review and amend the technical and cost proposals previously submitted.

The six required service components sought under the 2010 ITN are unchanged. This invitation for amendments provides the final contract language, enhancements, and the performance standards that were negotiated with finalists. Changes in state law were adopted during the 2011 Legislative Session and are also provided in this document.

The Corporation proposes a revised implementation schedule, changes its street address, and makes other conforming and technical amendments. Changes are noted above or were provided to finalists with striking and underlining.

## I. INTRODUCTION

This solicitation is issued by Florida Health Choices, Inc. (Corporation) seeking a Third Party Administrator (Administrator) from among finalists and proposed subcontractors of finalists resulting from the 2010 ITN procurement process. 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.

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:

### **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.  
200 West College Avenue, Suite 203  
Tallahassee, Florida 32301  
[ceo@myfloridachoice.org](mailto:ceo@myfloridachoice.org)

### **All other:**

[lmccarthy@myfloridachoice.org](mailto:lmccarthy@myfloridachoice.org)

### III. 2012 CALENDAR OF EVENTS (Subject to Change)

Prior Finalists Invited to Amend Proposals		March 5, 2012
Questions Accepted Through		March 16, 2012
Written Answers to Finalist's Questions		March 20, 2012
Proposal Amendments Accepted	5:00 p.m.	March 30, 2012
Negotiations Commence		April 2, 2012
Contract Award		April 17, 2012

#### Proposed Implementation Schedule

Inform Individuals About Other Public Health Care Programs	May 2012
Insurance Agent Eligibility Determination	June 2012
Web-Based Choice Portals	June-July 2012
On-line Calculators	June-July 2012
Risk-Bearing Vendor and Health Product Certification (FHC)	July 2012
Small Group Health Products On-Boarding	July-August, 2012
Insurance Agent Open Enrollment Period	August 2012
Individual Health Products On-Boarding	August-September, 2012
Enrollment Management Systems	October 2012
Contact Center	October 2012
Employer and Employee Eligibility Determination	October 2012
Individual Eligibility Determination	November 2012
Financial Services for Employers and Employees	November 2012
Financial Services for Individuals	December 2012
Enrollment Transmission to Vendors	December 2012
Risk-Bearing Vendor and Dental Product Certification (FHC)	March 2013
Risk-Bearing Dental Products On-Boarding	March-April 2013
Non Risk-Bearing Vendors and Product Certification (FHC)	July 2013
Non Risk-Bearing Products On-Boarding	July -August 2013
Renewals	October-December 2013

## IV. BACKGROUND

### A. State of Florida

The Florida Legislature created Florida Health Choices, Inc. during 2008 by enacting Section 408.910, Florida Statutes. In 2011, Section 408.910 was amended. 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 Soft Start Phase** is intended to launch a limited offering and the chosen Administrator will provide a minimal scope of services that support small employer groups, eligible employees, and individuals. 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 Soft 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 2013 and 2014. 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 Soft 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 meeting criteria established by the corporation

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.

**The Soft Start Phase** will target small employers, their eligible employees, and other individuals

**The Mid-Term Phase** Will expand the type of vendors and products offered.

**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, will offer various products that enable employers, employees, and individuals, 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 and individual 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

Individual 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 Soft 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 removal 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
  - Individuals
  - 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. Draft application specifications for Individuals can be found in Exhibit C.

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.

- Individuals – The Corporation may establish enrollment periods for eligible individuals.
- 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. Draft application specifications for individuals can be found in Exhibit C.

## **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, individual, 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 Corporation contracts with the Institute for Child Health Policy, an institute of the University of Florida's College of

Medicine to provide program evaluation services.

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 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 source 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. The contract terms as negotiated during the 2010 ITN process can be found in Exhibit D

### **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.
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The initial performance bond shall be furnished to the Contract Manager, Florida Health Choices, Inc., 200 West College Avenue, Suite 203,, 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.

## **H. Incorporation by Reference**

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.

### **B. Written Questions and Answers**

All questions regarding the ITN must be in writing and submitted to [lmccarthy@myfloridachchoices.org](mailto:lmccarthy@myfloridachchoices.org). Questions received by 5:00 p.m. Eastern Standard Time on March 16, 2012 will be responded to by the Corporation in writing on March 20, 2012 and shared with other finalists.

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

### **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**

Initial Proposals were received by 5:00 p.m., Eastern Standard Time, on Friday, August 27, 2010.. Initial Proposals were 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 the 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. Because the Corporation previously conducted oral interviews with the finalists, a second interview may not be necessary. Bidders will be notified if oral presentations are required.

## **P. Site Visits**

At its sole discretion, the Corporation may request one or more site visits in accordance with the Calendar of Events. Because the Corporation previously conducted site visits with the finalists, a second site visit may not be necessary. Bidders selected for a site visit will be notified. 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 April 17, 2012, 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 were offered by the bidder in responding to the ITN during the 2010 procurement process. 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. The performance standards negotiated in 2010 can be found in Exhibit D.

#### **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. AMENDED TECHNICAL PROPOSAL REQUIREMENTS**

Finalists have several options when amending the Technical Proposal:

- Resubmit the 2010 Technical Proposal with no changes
- Track Changes to show deletions and additions to the 2010 Technical Proposal
- Sectional Substitution to revise the 2010 Technical Proposal by replacing one or more of the required sections. When electing Sectional Substitution, please refer to the detailed submission requirements below for the particular section chosen for substitution.

Finalists are asked to submit a new cost proposal regardless of the submission option chosen by the bidder.

### **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 application fee is not required when submitting a proposal amendment.

### **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](http://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.

One 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 Soft 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 and Fee Collection**

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 and user fees collected?

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, individual account or other user.

## **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 information

## **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:

- Soft 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 Soft Start phase. Outline the steps necessary for the Administrator to begin Soft Start operations as the Corporation’s third party administrator and propose the Soft 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 D, these requested revisions must be submitted with your proposal.

Performance standards and reductions in payment will be negotiated in good faith as stated in this ITN. The bidder shall submit any suggested revision to the proposed performance in Tab W.

## **TAB X. Enrollment Management**

### **1. Experience**

In this section of the proposal provide specific examples of bidder experience in designing, programming, testing, installing and maintaining complex enrollment management systems. Include a detailed description of the scale and scope of each relevant project, and the number, type and frequency of electronic interfaces with external data sources that the project requires.

### **2. System Design**

Describe how the bidder's System will meet the following requirements:

- Establish accounts for employers, buyer's representatives, enrolled participants and their dependents
- Menu-driven records retrieval
- Financial services (See also: Financial Services)
- File linking (Linking scanned application/renewal images to the related electronic employer and participant accounts)
- Ability to perform manual overrides
- Late/delinquent payment notification
- Outgoing correspondence production, mailing, and
- History maintenance
- Maintenance of confidential information

### **3. Auxiliary Staff**

Confirm the Administrator's intention to provide auxiliary staff for up to 3,000 hours of analysis, programming, and testing for system change work prioritized and assigned by the Corporation.

### **4. Account Maintenance**

How will the System proposed by the bidder accommodate the features listed below?

- 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
- A renewal process and continuing eligibility verification
- Process returned mail and update address changes received from the U.S. Postal Service
- Account notations
- Changes in contact information
- Process changes in vendor choice
- Account update due to change in family composition
- Account terminations
- Cancellation/reinstatement function
- 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.)

**5. Customer Contact Center**

How will the information maintain in the System be made available to the bidder's customer contact center for the purpose of providing customer service to enrolled participants?

**6. Electronic Interfacing**

Describe the bidder's relevant experience with, or ability to, perform electronic screening methods with criteria that may be established by the Corporation. Additionally, indicate the methods of data transmission the bidder will utilize and cite specific experience with:

- Electronic screening for state programs
- Electronic referral (import and export)
- Electronic matching against a third party data base
- Transmission reconciliation
- Transmittal of participant data to chosen plans and service providers

Please confirm that all file transfers will be electronically time and date stamped and archived and that all file transfers will be confirmed and reconciled.

**7. Degree of Customization**

If the bidder proposes to modify existing System(s) previously developed by the bidder,

indicate the degree of customization that is required to bring the existing System into compliance with the requirements of this ITN. Provide an estimate of the percentage already in compliance for each System and estimate the number of development, programming and testing hours required to achieve full compliance for each.

If the bidder proposes to develop a new System or several Systems, indicate the percentage in compliance as 0% and estimate the number of development, programming and testing hours required to achieve full compliance for each.

### **TAB. Y On-line Calculator**

Bidders will use this section to describe the mathematical functionality of the proposed calculator, how it will be accessed by users.

How will the calculator interface with the detailed product and service offerings in providing assistance to eligible participants? How will the calculator facilitate decision-making on the affordability and comparability of the offerings for the individual?

### **TAB. Z Other Services**

In this section of the proposal bidders may submit a description of any other services related to this ITN that are not otherwise incorporated into Tab A-Y.

Bidders may also use this section to propose services for which pricing is provided under Optional Fees and Services such as Hourly Consulting Fees (other than programming) and Other Service Fees. (See XI. Cost Proposal Requirements, Section C, 2. and 3.)

## **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. Outreach Management System (Monthly) \$ \_\_\_\_\_

This is the monthly cost to store and maintain the Outreach Management System.

2. Hourly Consulting Fees (Other than programming): \$ \_\_\_\_\_

3. 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 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 Din 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

### (Revisions Effective July 1 and October 1, 2011)

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) “Corporation’s marketplace” means the single, centralized market established by the program that facilitates the purchase of products made available in the marketplace.
- (c) “Health insurance agent” means an agent licensed under part IV of chapter 626.
- (d) “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](#), an exclusive provider organization as defined in s. [627.6472](#), or a health maintenance organization licensed under part I of chapter 641, or a prepaid limited health service organization or discount medical plan organization licensed under chapter 636.
- (e) “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 meet criteria established by the corporation and elect to make their employees eligible through the program.
    - 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.
5. Statutory rural hospitals.

(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 participants who opt out.

(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) All eligible vendors who choose to participate 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 maintenance

contracts, limited benefit policies, other risk-bearing products, and other products or services.

3. Prepaid limited health service organizations may sell products and services as authorized under part I of chapter 636, and discount medical plan organizations may sell products and services as authorized under part II of chapter 636.

4. 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.

5. 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.

6. 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.

7. 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.-7. 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 and is authorized to provide coverage in the relevant geographic area. 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 may 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 comply with requirements 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, which may include medical underwriting.
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. Health maintenance contracts.
3. Limited benefit plans.
4. Prepaid clinic services.
5. Service contracts.

6. Arrangements for purchase of specific amounts and types of health services and treatments.
7. Flexible spending accounts.
  - (b) Health insurance policies, health maintenance contracts, limited benefit plans, prepaid service contracts, and other contracts for services must ensure the availability of covered services.
  - (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.
  - (e) The corporation must determine that making the plan available through the program is in the interest of eligible individuals and eligible employers in the state.
- (6) PRICING.—Prices for the products and services sold through the program must be transparent to participants and established by the vendors. 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) THE MARKETPLACE PROCESS.—The program shall provide a single, centralized market for purchase of health insurance, health maintenance contracts, and other health products and 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:

(a) 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.

(b) Inform individuals about other public health care programs.

(9) RISK POOLING.—The program may use methods for pooling the risk of individual participants and preventing selection bias. These methods may include, but are not limited to, a postenrollment risk adjustment of the premium payments to the vendors. The corporation may establish a methodology for assessing the risk of enrolled individual participants based on data reported annually by the vendors about their enrollees. Distribution of payments to the vendors may 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) Products, other than the products set forth in subparagraphs (4)(d)1.-4., sold as part of the program are not subject to the licensing requirements of the Florida Insurance Code, as defined in s. [624.01](#) 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. Provide for the operation of a toll-free hotline to respond to requests for assistance.
11. Provide for initial, open, and special enrollment periods.
12. Evaluate options for employer participation which may conform with common insurance practices.

(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.

(14) EXEMPTION FROM PUBLIC RECORDS REQUIREMENTS.—

(a) Definitions.—For purposes of this subsection, the term:

1. "Buyer's representative" means a participating insurance agent as described in paragraph (4)(g).

2. “Enrollee” means an employer who is eligible to enroll in the program pursuant to paragraph (4)(a).
3. “Participant” means an individual who is eligible to participate in the program pursuant to paragraph (4)(b).
4. “Proprietary confidential business information” means information, regardless of form or characteristics, that is owned or controlled by a vendor requesting confidentiality under this section; that is intended to be and is treated by the vendor as private in that the disclosure of the information would cause harm to the business operations of the vendor; that has not been disclosed unless disclosed pursuant to a statutory provision, an order of a court or administrative body, or a private agreement providing that the information may be released to the public; and that is information concerning:
  - a. Business plans.
  - b. Internal auditing controls and reports of internal auditors.
  - c. Reports of external auditors for privately held companies.
  - d. Client and customer lists.
  - e. Potentially patentable material.
  - f. A trade secret as defined in s. [688.002](#).
5. “Vendor” means a participating insurer or other provider of services as described in paragraph (4)(d).

(b) Public record exemptions.—

1. Personal identifying information of an enrollee or participant who has applied for or participates in the Florida Health Choices Program is confidential and exempt from s. [119.07](#)(1) and s. 24(a), Art. I of the State Constitution.
2. Client and customer lists of a buyer’s representative held by the corporation are confidential and exempt from s. [119.07](#)(1) and s. 24(a), Art. I of the State Constitution.
3. Proprietary confidential business information held by the corporation is confidential and exempt from s. [119.07](#)(1) and s. 24(a), Art. I of the State Constitution.

(c) Retroactive application.—The public record exemptions provided for in paragraph (b) apply to information held by the corporation before, on, or after the effective date of this exemption.

(d) Authorized release.—

1. Upon request, information made confidential and exempt pursuant to this subsection shall be disclosed to:

- a. Another governmental entity in the performance of its official duties and responsibilities.
  - b. Any person who has the written consent of the program applicant.
  - c. The Florida Kidcare program for the purpose of administering the program authorized in ss. [409.810-409.821](#).
2. Paragraph (b) does not prohibit a participant's legal guardian from obtaining confirmation of coverage, dates of coverage, the name of the participant's health plan, and the amount of premium being paid.
- (e) Penalty.—A person who knowingly and willfully violates this subsection commits a misdemeanor of the second degree, punishable as provided in s. [775.082](#) or s. [775.083](#).
- (f) Review and repeal.—This subsection is subject to the Open Government Sunset Review Act in accordance with s. [119.15](#), and shall stand repealed on October 2, 2016, unless reviewed and saved from repeal through reenactment by the Legislature.

History.—s. 4, ch. 2008-32; s. 4, ch. 2011-195; s. 1, ch. 2011-197.

**EXHIBIT B: Invitation to Negotiate:**  
**Enhancements Selected for Price Consideration as of 10/14/2010**

Possible Enhancement		Brief Description	Require in Base Contract and Pricing	Request Pricing as an Optional Service	Decline
1	Extended Hours of Operation	8:00 a.m. until 7:00 p.m. EST during midterm and long range phases		X	
2	Extended Hours of Operation	8:00 a.m. until 8:00 p.m. EST during all phases		X	
3	Video Display/Use	Ability to integrate Video into the Choice Portal so employees do not have to leave the enrollment process to obtain helpful information.		X	
4	Video Production	Produce/customize and maintain a video catalog for integration into the Choice Portal.		X	
5	Embedded Health Promotion Services	Participants can have access to an online health promotion library, an optional health risk assessment and online coaching with phone support.		X	
6	HTML Imbedded Email	After completing a quote for the employee, an HTML Email option is available from the plan comparison page. This provides the employee the option to deliver their top three plans or a PDF with all plans and rates to their Email inbox in HTML format. In addition, the HTML Email provides links for the employee to directly enroll for one of the plans provided, directing them back to the enrollment process.		X	
7	Document/Image Upload to Workflow	Attaching a user's document or image to the online application or enrollment file and import into workflow.	X		
8	Document/Image Web Service	Utilizing a document ID number or another method, find and retrieve electronic images/documents maintained in a public website for attachment to an online application or enrollment file and import into workflow.		X	
9	Print on Demand Document Production and Publishing Services	Production of material for outreach or other program activities. The corporation would conveniently prepare, order, and produce a variety of full color and black and white documents on a variety of printable stocks. Managed, tracked, and charged separately as a stand-alone item at competitive market rates.		X	
10	Outreach Program Design, Evaluation, and Support	Utilize local, Florida-based companies, to review outreach strategy and provide consulting services to recommend design, implementation, and distribution methods for outreach efforts		X	
11	Outreach Management	Provision of resources and expertise to supplement the marketing of the program.		X	
12	Walk-in Payments	Provide the convenience of accepting payments at thousands of retail locations.		X	
13	Human Resource Compliance	Provide small- and mid-sized employers with a full suite of HR compliance tools and resources to manage compliance with state and federal HR laws.		X	
14	Employer Section 125 Support	Assist employers with set up and maintenance of a Section 125 plans to managed pre-tax contributions made to the program.		X	

15	Small Employer Payroll Services	Payroll services geared toward the needs of small businesses. Services include phone, fax or web payroll processing, payroll preview and tax service. Includes direct deposit, check or pay card to employees. Timesheet maintenance and employee assistance programs area also included.			X
16	Tax Services	Provision of tax remittance solutions including FICA, FUTA and 945 remittance services.			X
17	HSA Management	Manage HSA on behalf of the corporation.		X	
18	FSA, HRA and HSA Services	Provide supplemental Health Savings Account, Health Reimbursement Arrangement, and Flexible Spending Account administration services for employers who wish to add additional benefit components for employees.		X	
19	Risk Adjustment	Apply a formula for risk adjustment determined by the Corporation and calculate the resulting adjusted premium payment due to each participating carrier. Also calculate vendor fees, buyer's representative fees and contribution to HSA.		X	
20	Payment Distribution Services	Adjusted premiums and fees are credited to the bank account of each carrier, vendor, and the corporation. Provide each payee with carrier allocation reports that detail the premium collection and adjustment by carrier.		X	
21	Broker Commission Payments	Make broker commission payments to producers in previous 60 days via ACH direct deposit into broker bank accounts.		X	
22	Funds Distribution, Refunds, and Account Reconciliation Services	Become an "actor" on the corporations' bank account to manage the dispersing of all funds to carriers and brokers, process refunds to employers and employees, and to perform bank account reconciliations.		X	
23	eHealth Medicare Services	A product platform specifically designed to support comparison and choices of Medicare services. Can include Prescription Drug Plans, Medicare Advantage and Medicare Supplement plans national and specifically for the State of Florida. Tools narrow down plans by asking specific questions regarding individual needs. Designed for the senior user.			X
24	Application administration	Allows FHC to build the web portal and online applications without bidder involvement. FHC could change the style, add business rules and adjust error messages in the application.			X
25	Message Center	Allows for secure communication between the administrator and the employer or employee. System allows user to send a message to another user. The Message Center sends an email to the user telling them that they have a message. The message recipient then logs into the Web-Based Portal and views the content of the message. This method for communication allows for PHI to remain confidential and within the Web-Based Portal,		X	
26	Provider Detail	Maintain provider network detail with search/sort capability by offering. Portal presentation options will permit the user to identify options available in their geographic area and the organizational options will include provider detail.	X		

## EXHIBIT C: Draft Application Specifications

Field No.	Application Module	Field Name	Field Description	Format	Length	Table	Valid Values	R=Required O=Optional D=Dependency	Dependencies
<b>PRIMARY APPLICANT/PARENT ONE</b>									
1	Primary Applcmt		Last Name	A	25			R	
2	Primary Applcmt		First Name	A	17			R	
3	Primary Applcmt		Middle Initial	A	1			O	
4	Primary Applcmt		Gender		1	Y	M, F	R	
5	Primary Applcmt		Social Security	N	11			D	Required if Field 6 is blank
6	Primary Applcmt		If no SSN, date applied for	mmddyyyy	8			D	Required if Field 5 is blank
7	Primary Applcmt		Date of Birth	mmddyyyy	8			R	
<b>CONTACT INFORMATION</b>									
8	Contact		Residential address	A	38			R	
9	Contact		Residential address	A	38			O	
10	Contact		City	A	16			R	
11	Contact		State	A	2			R	
12	Contact		Zip Code	N	10			R	
13	Contact		Mailing address (if different)	A	38			O	
14	Contact		Mailing address	A	38			O	
15	Contact		City	A	16			O	
16	Contact		State	A	2			O	
17	Contact		Zip Code	N	10			O	
18	Contact		Home Phone	N	12			O	
19	Contact		Mobile Phone	N	12			O	
20	Contact		Work Phone	N	12			O	
21	Contact		Other Phone	N	12			O	
22	Contact		Email Address1	A	38			O	
23	Contact		Email Address2	A	38			O	
24	Contact		Preferred method of correspondence		1	Y	Electronic, Paper English, Spanish, Haitian Creole, Other	O	Default to Paper if no selection made
25	Contact		Preferred language			Y		O	Default to English if no selection made
<b>SECONDARY APPLICANT/ PARENT TWO</b>									
26	Secondary Applcmt		Last Name	A				R	
27	Secondary Applcmt		First Name	A				R	
28	Secondary Applcmt		Middle Initial	A				O	
29	Secondary Applcmt		Gender		1	Y	M, F	R	
30	Secondary Applcmt		Social Security	N	11			D	Required if Field 31 is blank
31	Secondary Applcmt		If no SSN, date applied for	mmddyyyy	8			D	Required if Field 30 is blank
32	Secondary Applcmt		Date of Birth	mmddyyyy	8			R	
<b>CHILD BASIC</b>									
33	Child Applcmt1		Last Name	A				R	
34	Child Applcmt1		First Name	A				R	
35	Child Applcmt1		Middle Initial	A				O	
36	Child Applcmt1		Gender		1	Y	M, F	R	
37	Child Applcmt1		Relationship to Primary Applicant/Parent One			Y	Child, Step-Child, Other	R	
38	Child Applcmt1		Relationship to Secondary Applicant/Parent Two			Y	Child, Step-Child, Other	R	
39	Child Applcmt1		Social Security	N	11			D	Required if Field 40 is blank
40	Child Applcmt1		If no SSN, date applied for	mmddyyyy	8			D	Required if Field 39 is blank
41	Child Applcmt1		Add another child	A	1		Y, N	R	If yes, present Child ID 2 module, etc.
<b>EMPLOYER INFORMATION</b>									
42	Empl ID		Anyone in household employed?	A	1	Y	Y, N	R	If yes, present rest of this module
43	Empl ID		Household member/employee	A	2	Y	Primary, Secondary, Child	D	Required if field # is filled
44	Empl ID		Employer Name	A	38			D	Required if field # is filled
45	Empl ID		Employer Marketplace Security Key	A				O	
46	Empl ID		Add another employer	A	1	Y	Y, N	R	If no, stop. If yes, present Empl ID again
<b>CHILD DETAIL (reserved for later use)</b>									
	Child Detail 1		Date of Birth	mmddyyyy	8			R	
	Child Detail 1		U.S. Citizen			Y	Y, N	D	Required if Field 43 is blank
	Child Detail 1		Date of Entry into the U.S.	mmddyyyy	8			D	Required if Field 42 is blank
	Child Detail 1		Child's USCIS Number					D	Required if Field 42 is filled
	Child Detail 1		Child Currently insured		1	Y	Y, N	R	
	Child Detail 1		Current insurer	A				D	Required if field 45 is yes
	Child Detail 1		Voluntary cancellation within last 2 months		1	Y	Y, N	R	
	Child Detail 1		If voluntary cancel, data	mmddyyyy	8			D	Required if Field 47 is yes
<b>INCOME DETAIL (reserved for later use)</b>									
	Earned 1		Anyone in household with income from work	A	1	Y	Y, N	R	If yes, present rest of this submodule
	Earned 1		Household member name	A	38			D	Required if field # is yes
	Earned 1		Student status		1	Y	Y, N	R	
	Earned 1		Gross Income from work	N	8			D	Required if field # is yes
	Earned 1		Pay Frequency		1	Y	Every week, every 2 weeks, 2 times a month, once a month	D	Required if field # is yes
	Earned 1		Add another earned income	A	1		Y, N		If no, stop. If yes, present Earned Module again
	Unearned 1		Anyone in household with unearned income	A	1	Y	Y, N	R	
	Unearned 1		Household member name	A	38			D	Required if field # is yes
	Unearned 1		Unearned Source			Y	Monthly Social Security benefits, Monthly Supplemental Security Income, child support, unemployment, investments, other		Required if field # is yes
			Gross income	N	8				Required if field # is yes
	Unearned 1		Add another unearned income			Y	Y, N	R	If no, present field #. If yes, present Unearned Module again
	Child Suprt Pd		Anyone in household pay child support			Y	Y, N	R	If yes, present rest of this submodule
	Child Suprt Pd		Person that pays child support					D	Required if field # is yes
	Child Suprt Pd		Amount monthly child support paid	N	8			D	Required if field # is yes
	Child Suprt Received		Anyone receiving child support		1	Y	Y, N	R	
	Child Suprt Received		Name of child receiving child support		38			D	Required if field # is yes
	Child Suprt Received		Amount of monthly child support received	N	8			D	Required if field # is yes
	Child Suprt Received		Add another child receiving support		1	Y	Y, N	R	If no, stop. If yes, present Child Suprt Received submodule again.
	Day Care		Child or disabled adult in day care		1	Y	Y, N	R	
	Day Care		Person in care					D	Required if field # is yes
	Day Care		Monthly amount paid	N	8			D	Required if field # is yes
	Day Care		Payor		38				Required if field # is yes

## **EXHIBIT D: THIRD PARTY ADMINISTRATION SERVICES CONTRACT**

This Contract is entered into between Florida Health Choices, Inc. ("FHC"), a Florida not-for-profit corporation, and \_\_\_\_\_("ENTITY"), to provide Third Party Administration services. FHC and ENTITY are each referred to herein individually as a "Party" and collectively as the "Parties"

### **BACKGROUND**

WHEREAS, the Florida Health Choices Program was created as a single, centralized market for the sale and purchase of products that enable individuals to pay for health care; and

WHEREAS, Information about each product available through the Florida Health Choices Program shall be made available through printed materials and an interactive internet website; and

WHEREAS, the Florida Health Choices Program seeks to establish a secure website to facilitate the purchase of such products by eligible participating individuals; and

WHEREAS, the Florida Health Choices Program issued an Invitation to Negotiate Third Party Administration services seeking a qualified provider of such services.

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", for the purpose of Section 5-17 C and D, mean the amounts stipulated in this Contract or any Attachments, and agreed to by the Parties as a reasonable estimation of the actual losses if ENTITY breaches the terms of the Contract and fails to cure the breach as permitted under the Contract or fails to perform its obligations fully, correctly and on time, as determined in the sole discretion of FHC to the extent that FHC terminates the Contract. 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. In the event ENTITY is terminated pursuant to either Section 5-17 C or D the applicable amount of liquidated damages is one million, five hundred thousand dollars (\$1,500,000.00); or two and a half percent (2.5%) of the cost of the products offered and sold pursuant to the Program during the previous twelve month



period preceding the termination, whichever is greater. Any other performance failures will be addressed in accordance with the requirements of Attachment G.

- 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 initial term of this Contract is for five years. The Effective Dates are:

This Contract shall begin on \_\_\_\_\_, 2012.

This Contract shall end on \_\_\_\_\_, 2017.

This Contract may be extended at FHC's option for two additional two (2) year periods beyond the initial term indicated above; provided, however, that FHC and ENTITY agree to negotiate in good faith the fees and costs for the performance of services under this Contract applicable during such additional terms, but if the Parties cannot reach such an agreement in good faith, then this Contract will not be extended. FHC agrees to notify ENTITY by January 1, 2016 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 specified in Attachment F 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 3-1 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. 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 A. 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.
- B. In the event of such disagreement, FHC and ENTITY will attempt to negotiate a resolution of the disagreement in good faith.
- C. In the event the amount in disagreement, pursuant to this paragraph 3-5, is \$50,000 or less, FHC and ENTITY agree that a mutually acceptable third party shall resolve the disagreement of the amount due under this paragraph 3-5. In the event no mutually acceptable third party can be appointed, then both parties agree that the Chief Judge of the Second Judicial Circuit in and for Leon County, Florida may appoint a third party to resolve the disagreement. The determination of the third party shall be final and both FHC and ENTITY agree to abide by such decision
- 3-6 The Parties agree that under no circumstances shall the charges to FHC for the performance of this Contract and all associated costs exceed the amounts listed in Attachment F.

#### **Section 4 Duties of ENTITY**

##### **4-1 Deliverables**

Deliverables are contained on Attachment E.

##### **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 1<sup>st</sup> (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 1<sup>st</sup> (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 Material Breach and renders this Contract subject to termination by FHC under Section 5-17 D of this Contract.

#### 4-4 Indemnification

ENTITY shall indemnify, defend and hold FHC, its officers, directors, agents and employees harmless from all third party claims, losses, suits, judgments or damages, including court costs and attorney's 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 negligence; intentional torts; or breach of contract by 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 H 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 1<sup>st</sup> 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 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

- A. This Contract 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.
- B. Notwithstanding A. above, assignment of monies that will become due may occur without prior written consent of FHC, but FHC shall receive prompt notice of such assignment of monies.

### 5-3 Attachments

Attachments A through H 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

ENTITY shall give FHC notice of the intent to petition for bankruptcy or reorganization or arrangement at the time of the filing and promptly provide a copy of such filing to FHC. 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 files a petition for bankruptcy or for approval of a plan of reorganization or arrangement under the Bankruptcy Act that has not been dismissed within 60 days of the filing. FHC shall have thirty (30) calendar days thereafter to elect to continue or terminate 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 (fifty percent or more) of ENTITY or any of its approved subcontractors. ENTITY shall give FHC notice of regulatory agency approval, if applicable, within 30 days after 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 that do not contain ENTITY confidential information, 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.

If any legal challenge arises to the protection confidential or protected information of ENTITY, ENTITY must bear the full cost of defense including any legal fees or expenses incurred by the FHC by its participation in the defense.

However, FHC agrees to advise ENTITY 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 and with whom ENTITY has contact with relating to this Contract 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.

FHC recognizes that ENTITY has committed significant resources to providing services under this contract. FHC agrees not to solicit, recruit or hire any individual who is employed by ENTITY or its subcontractors and with whom FHC has contact with relation to the contract during the term of this contract without prior written consent of ENTITY. This prohibition shall be in effect for both the term of this Contract, for any extension 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 the ENTITY services provided hereunder.
- J. All regulations, guidelines and standards, applicable to the ENTITY services provided hereunder as are now or may be lawfully be required under the above statutes. Should such future adopted regulation create a price increase or decrease, the parties agree to negotiate an equitable adjustment.

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. FHC reserves the right to terminate this Contract, or any part herein, at its discretion if such alleged failure is not cured to the reasonable satisfaction of FHC within thirty (30) calendar days after FHC has given written notice thereof to ENTITY. In the event that ENTITY does not perform the cure within the thirty (30) calendar days, such termination shall be effective at such time as is determined 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:

Lauren L. McCarthy, Administrative Services Manager  
Florida Health Choices, Inc.  
200 West College Avenue, Suite 203  
Tallahassee, FL 32301  
850-222-0933 (Phone)  
850-222-8222 (Fax)  
lmccarthy@myfloridachoice.org

For ENTITY:

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; Indemnification; Attorney Fees; Confidentiality; Conflicts of Interest; Non-Solicitation and Governing Law; Venue; and Liquidated Damages 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. ENTITY shall be paid for all work performed up to and including the date of termination.

### B. Termination for Lack of Payment

If FHC fails to make payments in accordance with this Section 3-1 of 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. ENTITY shall be paid for all work performed up to and including the date of termination.

### C. Termination for Lack of Performance

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 if such failure is not cured to the reasonable satisfaction of FHC within thirty (30) calendar days after FHC has given written notice thereof to ENTITY. In the event that ENTITY does not perform the cure within the thirty (30) calendar days, such termination shall be effective at such times as is determined by FHC.

Waiver of the failure to perform satisfactorily this Contract shall not be deemed to be a waiver of any other failure to perform 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 thirty (30) 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 Thirty (30) calendar 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. ENTITY shall be paid for all work performed up to and including the date of termination.

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. ENTITY shall be paid for all work performed up to and including the date of termination.

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 forty five (45) 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 an amount up to two thousand five hundred dollars (\$2,500.00) 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 six (6) months after the expiration or termination of this Contract. In the event, the actual Transition Period extends longer than the estimated Transition Period; at additional cost to FHC, 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]**

**REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK**

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 FLORIDA )

COUNTY OF PINELLAS)

The foregoing instrument was acknowledged to me before this 15th day of \_\_\_\_\_, 2012 by \_\_\_\_\_, as \_\_\_\_\_ on behalf of \_\_\_\_\_ . 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 \_\_\_\_\_

FOR

FLORIDA HEALTH CHOICES, INC.:

---

NAME: Rose M. Naff

TITLE: Chief Executive Officer

DATE SIGNED:

STATE OF FLORIDA )

COUNTY OF LEON )

The foregoing instrument was acknowledged to me before this \_\_\_\_ day of \_\_\_\_\_, 2012, by Rose M. Naff, as Chief Executive Officer on behalf of the Florida Health Choices, Inc. She is personally known to me.

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: \_\_\_\_\_

Wilbur E. Brewton

Fla Bar Number: 110408

**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).

**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)

Name and Title of Authorized Signatory:

\_\_\_\_\_, 2012  
Date of Signature

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 ("EPHI") 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.

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., "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.

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Signature (Above)

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Date of Signature

Name and Title of Authorized Signatory:

Name of Entity and Business Address:

## 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
None			

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:**

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**(Signature Above)**

**Name:**

**Title:**

## **CONTRACT ATTACHMENT E**

### **ENTITY'S RESPONSE TO FHC INVITATION TO NEGOTIATE**

**The items included as the Response are as follows:**

1. Proposal submitted by ENTITY dated August 27, 2010
2. Amendment to the Proposal by ENTITY dated April, \_\_, 2012
3. Oral Interview notes by the FHC and Supplemental Material submitted by ENTITY in response to the Oral Interview conducted on, September \_\_, 2010.
4. ENTITY response to required Enhancements:
  - a. Document/Image Portal Upload to Workflow, and;
  - b. Provider Detail with sort capability.
5. FHC Enhancements Selected as of October 14, 2010
6. Final pricing response as submitted by ENTITY on April, \_\_\_\_, 2012 and incorporated in Attachment F of this contract.

## CONTRACT ATTACHMENT F

### COMPENSATION

#### Base Compensation

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.
8. **Required Enhancements**  
\$\_\_\_\_\_ Document/Image Portal Upload to Workflow, and Provider Detail with sort capability is included in the compensation listed in 1-7 above.

#### Other Fees and Services at the Option of FHC

1. **Outreach Management System:**  
\$\_\_\_\_\_ This is the monthly cost to store and maintain the Outreach Management System.
2. **Hourly Consulting Fees (Other than programming):**



\$\_\_\_\_\_

**3. Extend Hours of Operation:**

Included in the Base Compensation when hours are extended 8:00 a.m. to 7:00 p.m.  
Eastern Standard Time.

Included in the Base Compensation when hours are extended 8:00 a.m. to 8:00 p.m.  
Eastern Standard Time.

**4. Video Display/Use:**

\$ \_\_\_\_ This is a monthly charge per participating employee per month to integrate video  
into the Choice Portal.

**5. Video Production:**

Included in Base Compensation if FHC selects content already built for a video catalog.

\$ \_\_\_\_ if FHC requires total customization of existing content for video catalog.

**6. Embedded Health Promotion Services:**

\$ \_\_\_\_ This is a monthly fee per participating employee per month for an online health  
promotion library, health risk assessment and online coaching with phone support.

**7. HTML Imbedded Email:**

Included in the Base Compensation when the participating employee has the option to  
deliver their top three plans to their Email in box in HTML format.

**8. Document/Image Web Service (Monthly Option):**

\$ \_\_\_\_ This is a monthly fee per participating employee per month.

**9. Document/Image Web Services (Usage Option):**

\$ \_\_\_\_ Per incidence utilizing this service to find and retrieve electronic images/documents

**10. Print on Demand Document Production and Publishing Services:**

\$ \_\_\_\_ Per Page (Black and White)

\$ \_\_\_\_ Per Page (Color)

**11. Outreach Program Design, Evaluation, and Support:**

\$ \_\_\_\_ This is a onetime fee to design, evaluate and support Outreach

**12. Outreach Management:**

\$\_\_\_ This is a monthly fee for conducting outreach activities to market the program

**13. Walk-in Payments (Monthly option):**

\$\_\_\_ This is a monthly fee per participating employee per month

**14. Walk-in Payments (Usage Option):**

\$\_\_\_ This is a usage fee per participating employee accessing payment options at walk-in locations

**15. Human Resource compliance:**

\$\_\_\_ This is a monthly fee per employer per month when the employer chooses this service

**16. Employer Section 125 Support:**

This service is included in the Base Compensation.

**17. FSA, HRA and HSA Services:**

\$ \_\_\_ This is a monthly fee per participating employee enrolled in FSA services

\$ \_\_\_ This is a monthly fee per participating employee enrolled in HRA services

\$ \_\_\_ This is a monthly fee per participating employee enrolled in HSA services

**18. Risk Adjustment:**

\$\_\_\_\_\_

**19. Payment Distribution Services:**

Included in the Base Compensation when FHC selects ENTITY to calculate adjusted premiums and fees, and facilitate payment to the bank account of each carrier, vendor, and the corporation.

**20. Brokers Commission Payments:**

\$\_\_\_ This is a monthly fee per participating Buyer's Representative

**21. Funds Distribution, Refunds, and Account Reconciliation Services:**

This service is included in the Base Compensation at FHC option.

**22. Message Center:**

This is included in the Base Compensation.

## CONTRACT ATTACHMENT G

### PERFORMANCE STANDARDS AND REDUCTIONS IN PAYMENT

	Performance Measure	Negotiated Standard	Negotiated Method of Measurement	Assigned Value
<b>X</b>	<b>General</b>			
1	Complete research requests submitted by the Corporation	99 percent of requests discussed with Corporation within two business days	Monthly average based on the business date of receipt of request – business date of follow up discussion attempted with the Corporation	Important
2	Respond to all communication from the Corporation	99 percent response within one business day	Based on business date of receipt of communication – business date of acknowledgement (or resolution if available)	Important
3	Implementation	Implementation of contracted services per agreed schedule (100 percent)	Measured by readiness of specific major milestones/deliverables on date agreed to with Corporation. Agreed upon scope changes, whether Corporation requested or vendor necessitated, are re-evaluated and estimated without penalty.	Important
<b>X</b>	<b>Customer Service</b>			
4	Complaints – Days	Complaint resolution – within 15 days of complaint receipt	Monthly average of business days based on the business date of receipt – business date of resolution.	Critical
5	Complaints – Percent	Fewer than three percent complaints per month	Monthly average based on the number of complaints divided by the number of contacts	Critical
6	Data entry is accurate	Error rate of critical field characters is less than one percent per month.	Based on characters within fields identified as critical as agreed to with Corporation (Data entry errors committed by clients entering information into web-portal or by the vendor entering information into the system as documented in paper documentation from the client are not subject to accuracy measurement.)	Critical
7	Incoming calls will be answered by a customer service representative	Answer 80 percent of incoming calls within 30 seconds and 95 percent within 60 second.	Monthly measurement based on incoming calls answered by the Contact Center divided by number of incoming calls received.	Important
8	Maintain a reasonable abandoned call rate	No more than five percent of incoming calls are abandoned on a monthly basis	Monthly average of incoming calls which are abandoned by the caller hanging up once they reach the live agent queue divided by the number of incoming calls received in the queue.	Important
9	Maintain a reasonable blocked call rate	No more than one percent of incoming calls are blocked on a monthly basis	Monthly average of incoming calls which are blocked due to busy trunks divided by the number of incoming calls.	Important
10	Email responses will be timely.	98 percent of incoming emails will be	Monthly average based on the number of emails where the email resolution date minus email receipt	Important

	Performance Measure	Negotiated Standard	Negotiated Method of Measurement	Assigned Value
		acknowledged within 4 hours and receive a resolution response within two business days	date is equal to two business days divided by the total number of emails received during that month	
11	Return voice mails	98 percent of voice mails will receive response within one business day	Monthly average based on the number of voice mails where the voice mail acknowledgement date – voice mail receipt date is equal to one business day divided by the total number of emails received during that month	Critical
12	Respond to questions from participants that require additional research within one business day	90 percent of questions will receive response within 1 business day and 95 percent within two business days	Monthly average measured based on the question response date – the question receipt date divided by the total number of questions received during the month.	Critical
13	The average monthly monitoring score for all customer service representatives	Exceed 85 percent monthly rating	Monthly average of all quality monitoring scores for customer services representatives	Important
14	Disseminate information to consumers	98 percent of Correspondence (email, or hardcopy) accurately sent within two business days	Monthly average based on correspondence mail date – correspondence generation date divided by the total number of correspondence actions.	Important
15	Provide access to account information	User access available 98.5 percent of the time	Based on membership system availability through Contact Center divided by total business hours in the month.	Critical
16	Provide account payment and coverage verification	99 percent accuracy of information provided to callers	Monthly average based on monitoring of customer contact center calls	Critical
17	Live call agent for all callers during agreed hours of regular operation with option to leave a voice mail	99 percent availability of voice mail during agreed schedule for Contact Center business hours	Monthly average voice mail system availability	Important
18	Translation service available for languages not offered by the Center staff	99 percent availability during agreed schedule	Monthly average based on filled requests to the translation service divided by the total number of requests for translation.	Critical
19	Meeting the needs of hearing-impaired callers	99 percent availability during agreed schedule	Monthly average based on answered requests for hearing-impaired assistance divided by the total number of hearing impaired requests received.	Critical

	Performance Measure	Negotiated Standard	Negotiated Method of Measurement	Assigned Value
20	Web-based chat functionality	98.5 percent availability during agreed schedule	Monthly average based on requests for web chat assistance answered during normal business hours divided by total number of requests for web chat assistance.	Important
21	IVR system availability in English & Spanish 24 hours a day, 7 days a week, excluding scheduled downtime for routine maintenance	99 percent availability	Based on IVR availability hours during the month divided by total hours in month less scheduled downtime.	Important
22	Accept payments through the IVR at the caller's request	99 percent availability	Monthly hours of IVR payment system availability divided by total hours in month less scheduled downtime.	Important
23	Accurately process payments through the IVR at the caller's request	99 percent accuracy	Monthly measurement of total number of payments processed through the IVR minus the number of inaccurate payments reported divided by total number of payments processed through the IVR. Inaccurate payments resulting from client committed errors will not be factored into this measurement.	Important
24	Open and available during the agreed upon days and hours of operation.	99 percent availability during agreed schedule	Monthly measurement based on Contact Center availability to take calls divided by the total scheduled business hours during the month.	Important
25	Follow up attempts for missing information to process telephonic & on-line requests	Complete 95 percent within three business days	Monthly average based on the number of follow up attempts that occur within three business days from the identification of missing information divided by the total number of follow-up attempts.	Critical
26	Returned mail is processed	99 percent processed within four business days following return	Monthly average based on the number of pieces of returned mail that are processed within four business days divided by the total pieces of returned mail during the month.	Important
27	Maintain accurate copies of all incoming and outgoing correspondence and furnish copies to the Corporation upon request	Archive in electronic form and produce within one business day following Corporation request in 99 percent of occurrences	Monthly average based on the number of Corporation requests received and fulfilled within one business day divided by the total number of Corporation requests received.	Important
X	Web Portal			

	Performance Measure	Negotiated Standard	Negotiated Method of Measurement	Assigned Value
28	Data detail of program offerings is maintained timely	99 percent of updates posted within two business days following receipt	Monthly average based on number of updates posted to the web portal within two business days of Corporation-approved data receipt divided by the total number of Corporation-approved data updates received.	Critical
29	Data detail of program offerings is maintained accurately	99 percent accuracy of posted program offerings	Monthly average based on accuracy of score of quality monitoring as compared to data provided by carriers, Corporation, or other entity	Critical
30	Provide information to interested persons about available offerings and participating vendors	99% accuracy posted within 2 business days following receipt	Based on Quality Assurance sampling	Important
31	Presentation of plan and service options shall be limited to those approved by the Corporation	100 percent compliance with Corporate approval of plan options	Based on occurrence of non-approved plan or service posting to the web portal	Critical
32	Accept applications and documents-through an On-Line process	Process 98 percent of received applications and documents within three business days	Monthly average based on number of applications and documents received through the web portal which are processed within three business days of receipt divided by the total number of applications received through the web portal.	Important
33	Applications received through On-line process are processed accurately	98 percent accuracy of application information received through the web	Monthly average based on Quality Assurance sampling	Critical
34	On-line application process will inform the user of the documents required and method of submission	Web portal accurately lists any additional documents required with 98 percent accuracy	Monthly average based on Quality Assurance sampling.	Important
35	Renewals received are processed timely	98 percent processed within three business days following receipt	Monthly average based on number of renewals received which are processed within three business days of receipt divided by the total number of renewals received	Critical
36	Renewals received are processed accurately	98 percent accuracy of renewal information received	Monthly average based on Quality Assurance sampling.	Critical
37	Web-based choice portal is available for user access	98.5 percent availability	Monthly measurement of total hours system is available divided by the total number of hours in a month less the hours of scheduled system maintenance down time.	Critical

	Performance Measure	Negotiated Standard	Negotiated Method of Measurement	Assigned Value
X	<b>Eligibility Determination</b>			
38	Rules for use in determining eligibility	Application of rules with 98 percent accuracy	Monthly average of quality monitoring scores based on Corporation-approved rules.	Critical
39	Timely and accurately process information submitted via on-line or paper using eligibility criteria	98 percent processed within 3 business days	Monthly average based on number of instances of information received through the web portal or mail are processed within three business days of receipt divided by the total number of instances of information received through the web portal or mail.	Important
40	An electronic record is created from a paper application within three business days	98 percent accurately created processed within three business days	Monthly average of electronic records which are created within three business days of receipt of paper application divided by the total number of paper applications received.	Important
41	Determination of eligibility will generate correspondence to the applicant confirming the outcome	98 percent of outcome correspondence generated within two business days	Monthly average of the number or eligibility determinations which generate an outcome correspondence within two business days divided by the total number of eligibility outcomes.	Important
42	Documents transmitted by U.S. mail or electronic means copied, maintained and retrievable	Archive 100 percent of documents in electronic format for duration of contract	Based on monthly quality monitor scoring	Important
43	A method to inform the enrolled employer of eligibility outcomes for associated employees	98 percent processed within two business days for employer reporting	Monthly average based on number of employee eligibility outcomes available for reporting within two business days divided by the total number of employee eligibility outcomes.	Important
44	Support additional screening for referral to state/federal agencies	98 percent of referrals made within two business days following determination	Monthly average based on number of referrals made within two business days of screening determines likely eligibility for other state/federal program divided by total referrals made to other state/federal program.	Critical
45	Accept electronic referrals from state-administered programs for eligibility determination & enrollment	98 percent processed within three business days	Monthly average of electronic referrals processed within three business days divided by total number of electronic referrals received during the month.	Critical
46	Ensure that file transmission are exported and imported within mutually agreed time frames	99 percent processed within two business days	Monthly average of exported and imported files processed within two business days divided by the total number of file transmissions during the month.	Important

	Performance Measure	Negotiated Standard	Negotiated Method of Measurement	Assigned Value
47	File transmission will be exported and imported accurately.	99 percent accuracy	Based on quality assurance scoring, which excludes data designed to error out to preserve data integrity, as agreed to with the Corporation	Important
<b>X</b>	<b>Enrollment Management</b>			
48	Enrollment Processing	Process 98 percent of received enrollment requests within three business days	Monthly average of enrollment requests processed within three business days divided by the total number of enrollment requests received.	Important
49	Application, renewals and related documents are linked to the appropriate electronic record	99 percent accuracy	Monthly average based on Quality Monitoring scores	Critical
50	Correspondence / documentation linked to the proper account and processed	98 percent processed within three business days	Monthly average of correspondence / documentation processed within three business days divided by the total number of correspondence / documentation received during the month	Important
51	Security measures	100 percent compliance with state and federal requirements	Annual security audit and quarterly internal security audit.	Critical
52	Cancellation/reinstatement function	95 percent processed within two business days	Monthly average based on number of cancellation / reinstatement requests processed with two business days divided by the total number of cancellation / reinstatement requests received.	Critical
53	Transmission reconciliation	Daily reconciliation reported with 99% accuracy	Monthly average based on number of accurate transmissions divided by the total number of transmission.	Important
54	Transmissions of participant information to choice of insurer, health plan, or other service providers	99 percent processed within two business days	Monthly average of enrollment choices transmitted to insurers within two business days of valid choice processed divided by the total number of valid enrollment choices processed.	Critical
55	Electronic transmission of enrollment data to the Corporation's evaluation and research subcontractor	Within five business days following the last day of the reporting period	Monthly transmission within five business days following the last day of the reporting period.	Important
56	Enrollment data accuracy	99 percent accuracy of enrollment data	Monthly average based on quality monitoring scores.	Critical
57	Account terminations (due to death or disenrollment)	95 percent processed within two business days	Monthly average based on number of account termination requests processed within two business days divided by the total number of termination requests received.	Important



	Performance Measure	Negotiated Standard	Negotiated Method of Measurement	Assigned Value
58	Duplicate applications	Reconciled with 99 percent accuracy	Monthly average of quality score on identified duplicate Florida Health Choices applications	Important
<b>X</b>	<b>Financial Services</b>			
59	Calculate and facilitate the collection of participant and third party contributions	99 percent accuracy	Monthly average based on quality assurance scoring	Critical
60	Maintain account payment history and account coverage history	99 percent accuracy	Monthly average based on quality assurance scoring	Critical
61	Generate detailed reports the Corporation will use for remittance of premiums and other contributions	99 percent accuracy	Monthly average based on quality assurance scoring	Critical
62	Process premium payments timely	98 percent processed within three business days following receipt	Monthly average of premium payments processed within three business days divided by the total number of premium payments processed during the month.	Critical
63	Accurately process premium payments	98 percent accuracy	Monthly average based on quality scoring	Critical
64	Process refunds accurately	98 percent accuracy	Monthly average based on quality scoring	Critical
65	Process non-sufficient fund payments accurately	98 percent accuracy	Monthly average based on quality scoring	Critical
66	Process non-sufficient fund payments timely	98 percent processed within three days following receipt	Monthly average of non-sufficient fund payments processed within three days divided by total non-sufficient fund payments processed.	Critical
67	Process suspense items accurately	98 percent accuracy	Monthly average based on quality scores	Critical
68	Process suspense items timely	98 percent processed within three business days following suspension	Monthly average of suspense items processed within three business days divided by total number of suspense items processed during the month	Critical

	Performance Measure	Negotiated Standard	Negotiated Method of Measurement	Assigned Value
69	Timely research for payments that are misapplied or for payments that are received with insufficient information to identify proper application of the payment	98 percent processed within three business days following suspension	Monthly average of premium researches processed within three business days after research need identified divided by the total number of premium research needs identified. (Resolution may include item remaining in suspense if unidentified)	Critical
70	Accurate research for payments that are misapplied or for payments that are received with insufficient information to identify proper application of the payment	98 percent accuracy	Monthly average based on quality scores	Critical
71	Financial balancing on a regular and frequent basis	99 percent of monthly reports delivered by fifth business day of following month	Annual measurement based on number of accurate financial balancing reports delivered by the fifth business day of the following month, divided by the total number of financial balancing reports during the year.	Important
72	Accurate financial balancing on a regular and frequent basis	99 percent accurate	Monthly average based on quality scores	Important
<b>X</b>	<b>On Line Calculator</b>			
73	Accurate on-line calculator	98 percent accuracy	Monthly average based on quality scores	Critical
74	Make available an on-line calculator	98.5 percent availability	Hours of on-line calculator availability during the month divided by the total number of hours in the month less scheduled system down time.	Important
<b>X</b>	<b>Reporting</b>			
75	Submit all required reports to the Corporation	99 percent of reports submitted on the timeline agreed to with the Corporation	Based on Monthly measurement of all reports submitted to the Corporation on the schedule agreed to with the Corporation divided by the total number of reports submitted to the Corporation	Important
76	Reports are accurate	99 percent accuracy	Monthly measurement based on quality monitoring and any errors found and reported by the corporation	Important
<b>X</b>	<b>Enhancements (if requested)</b>			

	Performance Measure	Negotiated Standard	Negotiated Method of Measurement	Assigned Value
77	Establishment and administration of cafeteria plans	Assist employers to file Section 125 applications within 10 days following employer request for assistance for 100 percent of requests	Monthly average based on assistance follow-up date minus assistance request date divided by the total number of assistance requests received. (Assumes that employer is able to provide all information to submit a complete application.)	Important
78	Process refunds timely	98 percent processed within 10 days	Monthly average of refunds processed within 10 business days divided by the total number of refunds processed during the month	Critical
79	TBD	TBD	TBD	TBD

The Corporation requires the performance standards found in this attachment. The ENTITY's failure to complete work tasks, both correctly and on time will result in significant injury to the FHC and its mission but the amount of damages resulting from such injury cannot be calculated with certainty. The failure to complete a work task, both correctly and on time, shall be deemed a default. For each such default, the ENTITY may be liable to the FHC for damages, in addition to the other remedies available under the contract.

The FHC deemed those tasks which are "critical" and "important". This attachment provides for assessment of damages as follows:

- A. Damages in the amount of \$5,000.00 for failure to meet a performance criteria deemed "critical" task by the FHC.
- B. Damages in the amount of \$2,500.00 for failure to meet a performance criteria deemed an "important" task by the FHC.
- C. At the Corporation's discretion, defaults on tasks deemed "important" can be waived in the interest of the good of the Contract.
- D. Aggregated damages for failure to meet performance criteria shall not exceed a monthly maximum of \$50,000.00 or 10% of monthly billings, whichever is greater.

At its option the FHC may collect damages by deducting from contract payments to the ENTITY, by demand to the ENTITY for payment, by making claims against the performance bond from time to time until the bond has been exhausted, or by any combination of the same.