

# STATE OF ILLINOIS

## SOLICITATION DOCUMENT

### IL HIX Project / 12-71894

The Illinois Department of Insurance (AGENCY) is requesting Offers (bids / proposals) from responsible Vendors to meet the State's needs. Below is a brief description of our needs with detailed requirements in subsequent sections of this solicitation. If you are interested and able to meet these requirements, please submit an Offer.

We are issuing this solicitation in the following form and you must take that into account when reading and responding:

- Invitation for Bids
- Request for Proposals
- Request for Proposals (Professional and Artistic Services)

#### Brief Description:

The Department of Insurance (DOI) seeks to establish a Health Benefits Exchange ("Exchange") that meets all federal requirements and interfaces seamlessly with the Integrated Eligibility System (IES) being procured by the Illinois Department of Healthcare and Family Services (HFS). Specific requirements to achieve these goals are detailed extensively in publicly available documents (See Attachment #2). A careful review of all documents related to federal requirements for establishing an Exchange, as well as IES RFP materials (Illinois Procurement Bulletin #22023977), is required to assess the scope of this project.

DOI seeks a qualified organization to provide business services, technology infrastructure setup and operation, accompanying systems application development, and systems operation services associated with the establishment, ongoing operations, and maintenance of the Illinois Health Insurance Exchange (HIX). Offerors are encouraged to propose solutions that leverage commercial off-the-shelf (COTS) products, government off-the-shelf (GOTS) products, and/or products developed for other states, including Early Innovators, with which the Offeror is familiar and can successfully configure to implement the functional requirements of the Health Insurance Exchange (HIX).

Under a separate RFP, (Illinois Procurement Bulletin #22025209), DOI is seeking an experienced and qualified Vendor to provide an IT Design Management team of three individuals to assist with the HIX and report to the DOI IT Project Manager. The Design Management Team will assist DOI with developing detailed requirements for the HIX and managing the work of the successful Offeror of this RFP.

The solicitation package consists of two parts:

**Part A INSTRUCTIONS FOR SUBMITTING AND EVALUATING BIDS AND PROPOSALS:** Part A consists of the following sections:

- SECTION 1 INSTRUCTIONS, DATES, RESERVATIONS AND OTHER GENERAL INFORMATION
- SECTION 2 HOW WE WILL EVALUATE OFFERS
- SECTION 3 SPECIFICATIONS / QUALIFICATIONS / STATEMENT OF WORK

These sections provide information necessary for submitting an Offer (a bid or proposal), set forth the basic legal and policy requirements associated with this solicitation and tell how we will evaluate Offers.

**Part B OFFER RESPONSE FORMS:** Part B consists of the following sections:

- SECTION 4 OFFER TO STATE OF ILLINOIS
- SECTION 5 RESPONSIBILITY FORMS
- SECTION 6 RESPONSIVENESS
- SECTION 7 PRICE
- SECTION 8 CONTRACT

Your response to Part B will constitute your Offer to the State and will provide us with information about you, what you will provide, your ability to perform and your price. We will evaluate this information as well as compliance with the Instructions.

In this document the State of Illinois will be referred to as "State", "Agency", "we" or "us". The person submitting an Offer will be referred to as "Vendor", "Contractor" or "You". "We" is used appropriate to the context.

Please read the entire solicitation package and submit your Offer for evaluation in accordance with all instructions.

**Public Act 95-971 contains registration requirements regarding bids and proposals submitted by vendors. You must read and comply with the requirements. See [www.purchase.state.il.us](http://www.purchase.state.il.us) for additional information.**

***NON-DISCRIMINATION POLICY*** *In compliance with the State and Federal Constitutions, the Illinois Human Rights Act, the U.S. Civil Rights Act, and Section 504 of the Federal Rehabilitation Act, the State of Illinois does not discriminate in employment, contracts, or any other activity.*

## SECTION 1 - INSTRUCTIONS, DATES, RESERVATIONS AND OTHER GENERAL INFORMATION

- 1.1 PROJECT CONTACT:** If you have a question or suspect an error, you must immediately notify the Project Contact identified in this section. Do not discuss the solicitation or your Offer, directly or indirectly, with any State officer or employee other than the State Project Contact. Only written answers to questions shall be binding on the State.

Melissa Orrill  
State Purchasing Officer (SPO)  
320 W. Washington Street  
Springfield, Illinois 62767

Phone: 217-782-5695  
Fax: 217-524-6500  
TDD: 217-524-4872  
E-mail: [Melissa.Orrill@illinois.gov](mailto:Melissa.Orrill@illinois.gov)

- 1.2 VENDOR CONFERENCE / SITE VISIT:**  Yes  No Mandatory Attendance:  Yes  No

**Date, Time and Location:** To be determined and posted. Please monitor the Illinois Procurement Bulletin for an Addendum for final details of the Vendor's Conference.

Please submit all questions to [Melissa.Orrill@illinois.gov](mailto:Melissa.Orrill@illinois.gov) no later than 12:00 PM CST, August 23, 2012

- 1.3 OFFER DUE DATE, TIME AND SUBMISSION LOCATION:** Due Date: August 30, 2012 Time: 2:00pm

**DELIVER OFFERS TO:**  
Illinois Department of Insurance  
Attn: Carolyn March  
100 West Randolph Street / Suite 9-301  
Chicago, Illinois 60601

**LABEL OUTSIDE OF ENVELOPE / CONTAINER:**  
IL HIX Project / 12-71894  
DATE August 30, 2012 @ 2:00 pm  
[Vendor Name & Address]

We will open Offers at the Due Date, Time and Delivery Location. Prior to the due date, you may mail or hand-deliver Offers, modifications, and withdrawals. We do not allow e-mail, fax, or other electronic submissions. We must physically receive submissions as specified; it is not sufficient to show you mailed or commenced delivery before the due date and time. We will not consider Offers, modifications or withdrawals submitted after the due date and time. All times are State of Illinois local times.

- 1.4 NUMBER OF COPIES:** You must submit a signed original and 10 copies of the Offer in a sealed container. In addition, you must submit 1 copy on CD in the following format: Microsoft Word, Microsoft Excel, PDF or any combination thereof. If this is an RFP of either type you must submit separate CDs for technical and price with the price CD sealed in the pricing envelope. If you are requesting confidential treatment, you must make that request in the form and manner specified elsewhere in this solicitation. A request for confidential treatment will not supersede the Department's legal obligations under Illinois Freedom of Information Act (FOIA) (5 ILCS 140). If Minority, Female, and Person with Disability Subcontracting is marked "YES", you must also submit one (1) original and one (1) copy of your Utilization Plan in a separate sealed envelope within your Offer container.

**In accordance with Public Act 95-971, if you are required to submit the State Board of Elections Registration Certificate and fail to do so, your bid / proposal will be disqualified.**

- 1.5 OFFER FIRM TIME:** Your Offer must remain firm for 120 days from opening.
- 1.6 SECURITY:** Bid Bond \$ N/A Performance Bond \$ N/A. You must submit the Bid Bond with the Offer and the Performance Bond within 10 days after award. The bond must be from a surety licensed to do business in Illinois. An irrevocable letter of credit is an acceptable substitute. The form of security must be acceptable to us.
- 1.7 PROTESTS.** Aggrieved party must submit protest to the protest review office identified below. Do not submit it to any other person or address. Protests shall contain a statement of reason for the protest (44 IL Adm. Code 1.5550 (b)(2)(C)), and CPO must physically receive the protest by noon of the seventh calendar day after you knew or should have known of the facts giving rise to the protest.

Chief Procurement Officer  
Attn: Protest Review Office  
401 S. Spring Street  
Suite 514 Stratton Office Building  
Springfield, IL 62706  
Phone: (217) 558-2231  
Facsimile: (217) 558-2164  
Illinois Relay: (800) 526-0844

**1.8 SMALL BUSINESS SET-ASIDE:**  Yes  No. If “Yes” is marked, you must be certified by the Small Business Set-Aside Program at the time Offers are due in order for us to evaluate your Offer. For complete requirements and to certify your business in the Small Business Set-Aside Program, visit [http://www.sell2.illinois.gov/bep/Set\\_Aside.htm](http://www.sell2.illinois.gov/bep/Set_Aside.htm).

**1.9 MINORITY, FEMALE AND PERSONS WITH DISABILITY SUBCONTRACTING:**  Yes  No. If “Yes” is marked, this solicitation contains a goal to include businesses owned and controlled by minorities, females and persons with disabilities in the State’s procurement and contracting processes. In addition to the number of copies requested above, **you must submit an original and 1 copy of the Utilization Plan and Letter of Intent, sealed separately within the offer container.** Failure to submit a Utilization Plan as instructed later in this solicitation will render the offer non-responsive. All questions regarding the subcontracting goal must be directed to Susan Hartman at [Susan.Hartman@illinois.gov](mailto:Susan.Hartman@illinois.gov) or (312) 814-2200, prior to submission of bids or proposals. Vendors who submit bids or proposals for State contracts shall not be given a period after the bid or proposal is submitted to cure deficiencies in the Utilization Plan and the Letter of Intent, unless mandated by federal law or regulation (30 ILCS 575(4)(c)). Firms included on Utilization Plans as meeting BEP requirements as prime or sub-contractors must be certified by CMS as BEP vendors prior to contract award. Go to [http://www.sell2.illinois.gov/bep/Business\\_Enterprise.htm](http://www.sell2.illinois.gov/bep/Business_Enterprise.htm) for complete requirements for BEP certification.

**1.10 PUBLIC CONTRACTS NUMBER:** (775 ILCS 5/2-105) If you do not have a Department of Human Rights’ (DHR) Public Contracts Number or have not submitted a completed application to DHR for one before opening we may not be able to consider your Offer. Please contact DHR at 312-814-2431 or visit <http://www.state.il.us/dhr/index.htm> for forms and details.

**1.11 ILLINOIS PROCUREMENT BULLETIN (Bulletin):** We publish procurement information (including updates) in the electronic Bulletin (<http://www.purchase.state.il.us>). Procurement information may not be available in any other form or location. You are responsible for monitoring the Bulletin; we cannot be held responsible if you fail to receive the optional e-mail notices.

**1.12 AWARD:** We will post a notice to the Bulletin identifying the apparent awardee. The notice extends the Offer Firm Time until we sign a contract or determine not to sign a contract. We may accept or reject your Offer as submitted, or may require contract negotiations. If negotiations do not result in an acceptable agreement, we may reject your Offer and begin negotiations with another Vendor. Protested awards are not final and are subject to resolution of the protest.

**1.13 PUBLIC RECORDS AND REQUESTS FOR CONFIDENTIAL TREATMENT:** Offers become the property of the State and these and late submissions will not be returned. Your Offer will be open to the public under the Illinois Freedom of Information Act (FOIA) (5 ILCS 140) and other applicable laws and rules, unless you request in your Offer that we treat certain information as exempt. A request for confidential treatment will not supersede the State’s legal obligations under Illinois Freedom of Information Act (FOIA) (5 ILCS 140). We will not honor requests to exempt entire Offers. You must show the specific grounds in FOIA or other law or rule that support exempt treatment. Regardless, we will disclose the successful Vendor’s name, the substance of the Offer, and the price. If you request exempt treatment, you must submit an additional copy of the Offer with exempt information deleted. This copy must tell the general nature of the material removed and shall retain as much of the Offer as possible. You will be responsible for any costs or damages associated with our defending your request for exempt treatment. You agree the State may copy the Offer to facilitate evaluation, or to respond to requests for public records. You warrant that such copying will not violate the rights of any third party.

**1.14 RESERVATIONS:** You must read and understand the solicitation and tailor your Offer and activities to ensure compliance. We reserve the right to amend the solicitation; reject any or all Offers; to award by item, group of items, or grand total; and to waive minor defects. We may request a clarification; inspect your premises; interview staff; request a presentation; or otherwise verify the contents of the Offer, including information about subcontractors and suppliers. We may request Best & Final Offers when appropriate. We will make all decisions on compliance, evaluation, terms and conditions, and shall make decisions solely in the best interests of the State. This competitive process requires that you provide additional information and otherwise cooperate with us. If you do not comply with requests for information and cooperate, we may reject your Offer. You have no right to an award by submitting an Offer, nor do you have the right to a contract based on our posting your name in a Bulletin notice. We are not responsible for and will not pay any costs associated with the preparation and submission of your Offer. If you are the awardee, you shall not commence, and will not be paid for any billable work prior to the date all parties execute the contract, unless approved in writing in advance by the State Purchasing Officer or the Chief Procurement Officer (or the CPO’s designee).

**1.15 GOVERNING LAW AND FORUM:** Illinois law and rule govern this solicitation and any resulting contract. You must bring any action relating to this solicitation or any resulting contract in the appropriate court in Illinois. We do not allow binding arbitration. This document contains statutory references designated with “ILCS”. You may view the full text at <http://www.ilga.gov/legislation/ilcs/ilcs.asp>. The Illinois Procurement Code (30 ILCS 500) and the Standard Procurement Rules (44 Ill. Adm. Code 1) are applicable to this solicitation and may be viewed by users registered for the Illinois Procurement Bulletin at <http://www.purchase.state.il.us>.

**1.16 EMPLOYMENT TAX CREDIT:** Vendors who hire qualified veterans and certain ex-offenders may be eligible for tax credits. Please contact the Illinois Dept. of Revenue (312-814-3215) for information about tax credits. If you receive this tax credit you must report to the Dept. of Central Management Services the number of individuals hired for whom you received tax credits. You must submit this information by August 31 of each year covering the previous 12 months (July–June) (PA 94-1067; 30 ILCS 500/45-67 and 45-70).

## SECTION 2 - HOW WE WILL EVALUATE OFFERS

**2.1 OFFER RESPONSE FORMS:** We will evaluate the information you provide in the Offer Response Forms. You will find these forms in later sections of this solicitation.

**2.2 EVALUATION CATEGORIES:** We evaluate four categories of information: Administrative Compliance, Responsibility, Responsiveness, and Price. We will consider the information you supply or don't supply, and the quality of that information when evaluating your Offer. If we find a failure or deficiency, we may have to reject the Offer or reflect that in the evaluation.

**2.2.1 ADMINISTRATIVE COMPLIANCE:** We will determine whether your Offer complied with the Instructions for submitting Offers. Except for late submissions, we may require that a Vendor correct deficiencies as a condition of further evaluation.

**2.2.2 RESPONSIBILITY:** We will determine whether you are a "Responsible" Vendor; a Vendor with whom we can or should do business.

- I. A "Responsible" vendor must exist as a legal entity and must be authorized to do business in Illinois at the time a bid or proposal is submitted for a State contract. Evidence of good standing can include Certificate of Good Standing, copy of assumed name certificate from home county, etc.
- II. Public Law 96-0795 provides that a "prohibited bidder" includes a person assisting the State of Illinois or a State agency in determining whether there is a need for contract unless such information was part of a response to a publicly issued request for information (RFI). Additionally, one assisting the State by reviewing, drafting or preparing a request for proposals or request for information or provided similar assistance is deemed a prohibited bidder. See certifications section of the Contract for the required certifications prior to entering into a contract with the State of Illinois.
- III. Other factors that we may evaluate to determine Responsibility include, but are not limited to: certifications, conflict of interest, financial disclosures, taxpayer identification number, past performance, references (including those found outside the Offer,) compliance with applicable laws, financial stability and the perceived ability to perform completely as specified. Every bid submitted to and contract executed by the State and every subcontract subject to Section 20-120 of the Procurement Code shall contain a certification by the bidder, contractor, or subcontractor, respectively, that the bidder, contractor, or subcontractor is not barred from being awarded a contract or subcontract under this Section and acknowledges that the chief procurement officer shall declare the related contract void if any of the certifications are false.

You must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the contract and must provide proof upon request. The State may terminate the Contract, consistent with the termination for cause provision of this Contract, if the Vendor lacks the financial resources to perform under the Contract. We may require that a Vendor correct any deficiencies as a condition of further evaluation.

**2.2.3 RESPONSIVENESS:** We will determine whether the Offer meets the stated requirements. Minor differences or deviations that have negligible impact on the price or suitability of the supply or service to meet the State's needs may be accepted or corrections allowed. If no administratively compliant and responsible Vendor meets a particular requirement, we may waive that requirement. When the specification calls for "Brand Name or Equal," the brand name product is acceptable. Other products will be considered with proof the other product meets stated specifications and is equivalent to the brand product in terms of quality, performance and desired characteristics.

**2.2.4 PRICE:** We will identify the lowest priced Offer that meets Administrative, Responsibility and Responsiveness requirements. We will rank Offers in order of Price when appropriate.

**2.3 AWARD:** We will award to the Responsible Vendor whose Offer passes Administrative review, is Responsive, and who submits the best value as shown by the combination of Responsiveness and Price.

We will determine how well Offers meet the Responsiveness requirements. We will rank Offers, without consideration of Price, from best to least qualified using a point ranking system (unless otherwise specified) as an aid in conducting the evaluation. Vendors who receive fewer than the minimum required points will not be considered for Price evaluation and award.

If we do not consider the Price to be fair and reasonable and we cannot negotiate to an acceptable Price, we reserve the right to cancel the award and take appropriate action to meet our needs. We will determine whether the price is fair and reasonable by considering the Offer, including the Vendor's qualifications, the Vendor's reputation, all prices submitted, other known prices, the project budget and other relevant factors.

The point evaluation system is described below.

### 2.3.1 Evaluation Criteria

**2.3.1.1** The point evaluation system described in the chart below shows the elements of Responsiveness used to evaluate their relative weights in point format and the minimum point requirements. The total number of points for Responsiveness is **1000**. To be eligible for the Interview Phase of the RFP evaluation, Offerors must meet the minimum point requirements (**420** points) of the Initial Review Phase as well as the minimum points requirements for Implementation Approach (**325** points) and Offeror Team and Firm Qualifications (**95** points), and the subcategories of HIX business requirements (**100** points), technical infrastructure (**40** points), and implementation approach (**60** points). The Interview/Presentation Phase will be conducted at the Agency's office in Chicago, Illinois, at the sole expense of the qualifying Offeror. Offerors who do not score the minimum total point requirement for Responsiveness in the Initial Review Phase (**420** points) are to be considered non-responsive and will not be considered for the Interview/Presentation Phase, price evaluation, and award. Offerors who do qualify for the Interview Phase, and do not score the minimum number of points for Responsiveness in the Interview Phase (**280** points) are to be considered non-responsive and will not be considered for price evaluation and award.

**2.3.1.2 Attachment 15: HIX Elements Matrix** lists all mandatory and desired elements in the Element column. Mandatory elements must be met or the proposal will be disqualified. Offerors are cautioned not to include any pricing information in the Matrix. All pricing information is to be submitted in a separately sealed envelope.

### 2.3.2 Responsiveness Elements

The chart below shows the elements of Responsiveness that we will evaluate, including the total points possible, and the minimum point requirement for each element. The total number of points possible for Responsiveness is 1000.

#### Initial Review Phase

<b>1. Implementation Approach</b>	Weight	Maximum Points	Minimum Points
Approach to ensuring seamless integration between HIX and IES (refer to Section 3.2.1)		40	
Approach to meeting HIX business requirements, including technical plausibility of how the technical elements proposed are combined to create a functioning system (refer to Section 3.2.2)		165	100
Approach to the overall technical infrastructure, including hosted environments, security and alignment with Exchange Reference Architecture (refer to Section 3.2.3)		70	40
Approach to providing an appropriate project facility (refer to Section 3.2.4)		5	
Approach to training, including methods and experience (refer to Section 3.2.5)		20	
Approach to quality assurance in both the implementation and ongoing project phases, including testing (refer to Section 3.2.6)		20	
Approach to post implementation support services (refer to section 3.2.7)		20	
Approach to implementing a comprehensive knowledge transfer (refer to Section 3.2.8)		20	
Approach to the overall implementation of the HIX, including project management approach, plausibility of the proposed timetable, and ability to adapt to evolving guidance (refer to Section 3.3)		105	60
<b>Implementation Approach Total Points</b>		<b>465</b>	<b>325</b>

<b>2. Offeror Team and Firm Qualifications</b>	Weight	Maximum Points	Minimum Points
Overall relevant firm/company experience (refer to Section 3.5.1)		50	
Relevant experience of team members (refer to Section 3.5.2)		40	
Offeror references (refer to Section 3.5.3.1.1)		30	
Project Manager references (refer to Section 3.5.3.1.2)		15	
<b>Offeror Team and Firm Qualifications Total Points</b>		<b>135</b>	<b>95</b>

<b>Total Initial Review Phase Points</b>	Weight	Maximum Points	Minimum Points
<b>Total Points</b>	<b>60.0%</b>	<b>600</b>	<b>420</b>

**Interview/Presentation Phase**

<b>3. Presentation to Evaluation Committee (Interview)</b>	Weight	Maximum Points	Minimum Points
Description of overall approach, including: <ul style="list-style-type: none"> <li>• Key staff and qualifications</li> <li>• Solution overview</li> </ul> (refer to Section 2.3.3.2)		65	
Live demonstration of Offeror proposed HIX components (refer to Section 2.3.3.2)		100	
Group break-out discussions of implementation approach <ul style="list-style-type: none"> <li>• Functional breakout</li> <li>• Technical breakout</li> </ul> (refer to Section 2.3.3.2)		200	
Wrap Up: Answers to questions State will pose after reviewing RFPs (refer to Section 2.3.3.2)		35	
<b>Presentation to Evaluation Committee (Interview) Total Points</b>	<b>40.0%</b>	<b>400</b>	<b>280</b>

**Total Points**

<b>Total Points</b>	Weight	Maximum Points	Minimum Points
<b>Total Points</b>	<b>100.0%</b>	<b>1,000</b>	<b>700</b>

**2.3.3 Presentation Requirement**

**2.3.3.1** Offerors who achieve points equal to or above the minimum required points in each of the Initial Review Phase Responsiveness categories above will be required to make a presentation to the evaluation committee. Presentations will follow the high-level agenda below, which is subject to change at the State’s discretion:

- I. Overall Approach
  1. Introductions of key staff and qualifications
  2. Solution overview
- II. Live demonstration of Offeror proposed HIX components
- III. Group break-out discussions of implementation approach
  1. Functional Breakout
  2. Technical Breakout
- IV. Offeror responses to questions provided following the initial review of its proposal.

**2.3.3.2** Offeror Presentations will be evaluated on the basis of the:

- I. Description of Offeror’s overall approach to the implementation of HIX.
- II. The extent to which the content of the presentation is aligned with the content of the RFP and demonstrates a comprehensive understanding of the State’s request.
- III. Offeror’s performance during functional and technical group break-out discussions.
- IV. Offeror’s answers to State questions.
- V. Offeror’s demonstrated understanding of the federal gate review process and the artifacts and expected level of progress required for each review.
- VI. Offeror’s demonstrated understanding of all relevant federal guidance informing the development of the business and technical requirements.

The following points will be taken into account:

- I. The Offeror’s demonstrated capacity for clear, concise, and effective communication to State team members.
- II. The extent to which the content of the presentation is aligned with the content of the RFP and demonstrates a comprehensive understanding of the State’s request.
- III. The breadth and depth of experience and expertise evidenced by the presentation team, and in particular, the extent to which the demonstrated system meets the State’s requirements.
- IV. The Offeror’s plan for identifying and managing predictable risks associated with a project of this scope, including the uncertainty surrounding implementation of the Patient Protection and Affordable Care Act (ACA).
- V. The Offeror’s and subcontractors’ demonstrated ability to operate as an effective problem-solving team.

**2.3.3.3** The presentation team must include key personnel identified in the proposal. This includes, but is not limited to, the Project Manager, the Technical Architect, the two specified HIX Business Analysts, the two specified HIX Technical Analysts, the Quality Assurance and Testing Manager, and the Training Manager. The Offeror shall make every effort to have the key personnel listed in the proposal available for the presentation.

**2.3.3.4** Additional details on the presentations will be provided to the qualifying Offerors after evaluating the Responsiveness elements. Presentations will be held at a State office building, with each presentation scheduled for one day. Offerors will be notified in advance of the date, time, and location of its presentation. Presentations will be scored by the evaluation committee based on a 400-point scale. The presentation scores will be added to the Responsiveness scores and Offerors will be ranked in order of the total points achieved.

#### **2.3.4 Price Calculation**

The maximum number of points for Price is **250**. We will determine Price points using the following formula:

Maximum Price Points for Table 1 X (Lowest Price for Table 1/Offeror's Price for Table 1) = **Offeror's Table 1 Price Points**

Maximum Price Points for Table 2 X (Lowest Price for Table 2/ Offeror's Price for Table 2) = **Offeror's Table 2 Price Points**

**Offeror's Table 1 Price Points + Offeror's Table 2 Price Points = Total Price Points**

#### **2.3.5 Total Points**

The combined maximum number of points for this RFP is 1250 (Responsiveness 1000 + Price 250).



## SECTION 3 - SPECIFICATIONS / QUALIFICATIONS / STATEMENT OF WORK

### 3.1 AGENCY'S NEED FOR SUPPLIES / SERVICES

I. Section 3.1 is provided for informational purposes and does not require a response from the Offeror. A glossary of acronyms is provided as Attachment #1.

#### 3.1.1 Federal Background:

**3.1.1.1** On March 23, 2010, President Obama signed into law the ACA, broad federal legislation designed to increase health care coverage and to impose parameters on how health insurance operates. The ACA requires the establishment of an Exchange in each state. An Exchange provides one-stop-shopping to consumers and small businesses by allowing residents to purchase qualified health plans (QHPs) through a single portal that handles eligibility, plan comparison, and enrollment. A QHP is a health plan or standalone dental plan that has a certification that is issued or recognized by an Exchange; only QHPs may be offered on an Exchange. States may establish their own state Exchange, the U.S. Department of Health and Human Services (HHS) may operate a Federally-facilitated Exchange (FFE), or states may enter into a partnership with the federal government to jointly operate an FFE. Several final rules and other forms of Exchange guidance issued by HHS are listed in Attachment #2.

**3.1.1.2** The ACA requires that state-based Exchanges (SBEs) are open for plan enrollment on October 1, 2013, with coverage beginning January 1, 2014. Federal approval of SBEs and FFEs operated as federal-state partnerships is required by January 1, 2013, and States will be required to submit a Blueprint for federal approval by November 16, 2012. Similarly, states that wish to establish SBEs or partnership FFEs in subsequent years will be required to submit a Blueprint for federal approval by November 16 of the year prior to that in which open enrollment begins (e.g., a state that is attempting to establish an SBE for coverage effective January 1, 2015, must submit a Blueprint by November 16, 2013).

**3.1.1.3** Under ACA, beginning January 1, 2014, adults without dependent children will be able to receive coverage through the Medicaid program if they have the financial need. Additionally, more employers will be able to afford to offer health insurance to their employees, and more individuals will be able to afford individual health coverage, with tax credits or other financial assistance available for persons who have too much income to qualify for Medicaid, but too little income to afford the full cost of private health insurance. The HIX being procured by the Department of Insurance (DOI), and the Integrated Eligibility System (IES) being procured by the Illinois Department of Healthcare and Family Services (HFS), will work seamlessly to create a convenient and efficient system for access to affordable health care coverage in Illinois through "no wrong door." These two web portals must be closely integrated so that users have the appearance of one seamless portal.

#### 3.1.2 State Background:

**3.1.2.1** On July 14, 2011, Governor Quinn signed Public Act 97-0142, the Illinois Health Benefits Exchange Law. This legislation declares the intent of Illinois to establish an SBE for individuals and businesses with 50 or fewer employees as authorized by the ACA. The Illinois Health Benefits Exchange law established a Legislative Study Committee to make recommendations on how the HIX will function. In addition, Governor Quinn issued Executive Order 10-12 on July 30, 2010, establishing the Illinois Health Reform Implementation Council. Reports released from both of these entities are available for review at <https://insurance.illinois.gov/hirc/hie.asp>.

**3.1.2.2** HFS issued a separate RFP for the IES (Illinois Procurement Bulletin #22023977). HFS also awarded a contract for an IES Project Management Office (PMO) (Illinois Procurement Bulletin #22022740). The IES will provide determination of eligibility for Illinois medical programs (including Medicaid, CHIP and other State-sponsored medical assistance programs), HIX, Cash Assistance, and Supplemental Nutrition Assistance Program (SNAP). The State's current intake and eligibility systems are aging and becoming increasingly difficult to maintain. Funding through the ACA affords Illinois the opportunity to replace its aging systems and create functional and technological efficiencies within benefit programs. This project serves to improve access by using technological features to help achieve the goal of providing a simple, efficient, seamless, and accountable system for people to access and manage the health services, insurance, or aid they need. This effort is led by HFS in partnership with the Department of Human Services (DHS) and DOI.

**3.1.2.3** The ACA expands access to health care coverage for U.S. citizens and legal residents. By 2014, it is estimated that nearly 800,000 Illinois residents who are currently uninsured will receive health care coverage facilitated by the HIX. About 337,000 Illinoisans are projected to enroll in individual coverage through the HIX, including 250,000 residents with incomes from 133% to 400% of the federal poverty level (FPL) who will be eligible for subsidies to assist them in purchasing affordable commercial health coverage. Approximately 150,000 state residents will receive coverage through small employers utilizing the State's Small Business Health Options Program (SHOP), a component of the HIX. About 300,000 persons with incomes up to 133% of the FPL will receive Medicaid coverage through the HIX and IES portals. All systems must have the capacity to handle increased enrollment over time. For example, it is projected that in 2020, 958,000 Illinoisans will enroll in individual coverage through the HIX in addition to 443,000

residents receiving coverage through the SHOP. Federal regulations require states to coordinate eligibility between affordability programs so that only one application is necessary regardless of which program a person is ultimately eligible for and enrolled in.

**3.1.2.4** DOI has been authorized to act on behalf of the State to establish an Exchange, and will supervise and direct all activities performed by the Vendor in the initial Implementation phase of the HIX project. However, the State intends to establish an Exchange authority as a quasi-governmental entity. At a date to be determined by DOI, the Vendor will begin performing work through the contract at the direction of the Exchange authority.

**3.1.2.5** While the Illinois General Assembly passed and Governor Quinn signed into law legislation allowing for the establishment of an SBE (see Section 3.1.2.1), the State has not yet passed a law establishing an Exchange operating entity. Due to the pending statutory authority and the considerable staffing and operational needs of an Exchange, the State intends to operate as a federal-state partnership for plan year 2014, and begin operation as an SBE in 2015. Implications of this approach for the timeline of implementation of required services are discussed in Section 3.3.1.

### **3.1.3 Overview of Need:**

**3.1.3.1** DOI seeks to establish an Exchange that meets all federal requirements and interfaces seamlessly with IES. Specific requirements to achieve these goals are detailed extensively in publicly available documents. A careful review of all documents related to federal requirements for establishing an Exchange, as well as IES RFP materials, is required to assess the scope of this project.

**3.1.3.2** DOI seeks a qualified organization to provide business services, technology infrastructure setup and operation, accompanying systems application development, and systems operation services associated with the establishment, ongoing operations, and maintenance of the HIX. Offerors are encouraged to propose solutions that leverage commercial off-the-shelf (COTS) products, government off-the-shelf (GOTS) products, and/or products developed for other states, including Early Innovators, with which the Offeror is familiar and can successfully configure to implement the functional requirements of the HIX.

**3.1.3.3** Under a separate RFP, (Illinois Procurement Bulletin #22025209), DOI is seeking an experienced and qualified Vendor to provide an IT Design Management team of three individuals to assist with the HIX and report to the DOI IT Project Manager. The Design Management Team will assist DOI with developing detailed requirements for the HIX and managing the work of the successful Offeror of this RFP.

**3.1.3.4** The nature of this project requires coordination across state agencies including the DOI, HFS, DHS and the Illinois Health Information Exchange (ILHIE) which includes the Illinois Office of Health Information Technology (OHIT). All efforts should be made to ensure that this system is consumer friendly, follows Enroll UX 2014 user experience design principles (see [www.ux2014.org/deliverables](http://www.ux2014.org/deliverables)), ensures accessibility, and represents a single portal for accessing health insurance choices for any Illinois resident that chooses to use the HIX.

**3.1.3.5** Seamless coordination between the IES and the HIX systems is essential. DOI staff members have been active participants in IES planning and design efforts, and will remain directly involved in IES implementation. The Vendor selected for the services described within this RFP will be required to work closely with the State IES team as well as the IES PMO and IES Implementation Vendors to ensure that HIX requirements and related business processes are accommodated by the IES, and vice versa. The Vendor will be given access to the appropriate staff to ensure that this integration and ongoing synchronization is achieved. Attachment #3 provides a high level view of the vision for the combined IES and HIX environment in 2015.

## **3.2 Supplies and/or Services Required**

**Vendors are to respond to mandatory and desirable requirements as listed in Section 3.2 Description of Supplies and Services. See Attachment 15.**

I. Section 3.2 lists the various services that DOI expects the Vendor to provide. As a general guideline, for systems and technology requirements, DOI expects the services to be delivered under a Software as a Service (SaaS) model. Offerors are expected to present a solution package that works in an integrated fashion across all of the application areas listed in this section. However, each of the components defined in the subsections below should be loosely coupled technically with the others using standards based interoperability so it will be possible to seamlessly introduce new products or replace products provided in the initial solution suite in the event better offerings become available in the future. Where applicable in the sections below, responders should identify specific software products that will be included in their proposed offering.

### **3.2.1 HIX and IES System Integration**

- I. The HIX system must interface with IES to ensure a seamless user experience for applicants, participants, and assisters, and proposals must demonstrate the Offeror's ability to deliver a seamless system. An Assister is any person or organization (including Navigators, agents, brokers, web-based entities, and other third party application assisters) who uses HIX or IES to help a

consumer apply for benefits; HHS will provide future guidance regarding assister roles and privacy and security protections. A Navigator is a private or public entity or individual that meets HIX certification standards and receives Navigator grants to conduct outreach activities and facilitate enrollment in QHPs; a Navigator is a subset of Assisters.

- II. Offerors' responses to this RFP must align with information about the IES as specified in the IES RFP. In the event of any unintended discrepancies between the IES procurement documents and references to the IES in this RFP, the IES procurement documents shall take precedence in defining and describing the IES. The Vendor must work with the HIX and IES project teams to confirm, finalize, and implement detailed requirements for HIX interoperability with IES.

**3.2.1.1** Areas that will require significant cross-project coordination and collaboration include but are not limited to:

- I. Eligibility and verification – HIX will utilize the IES for eligibility and verification functions. Some information necessary for HIX eligibility determinations (such as access to affordable employer coverage) will only be collected through the HIX, requiring the HIX to connect to the HHS Hub and make up-to-date information available to the IES and its underlying rules engine. The HHS Hub is the federally-managed data services hub that will support information exchanges between the HIX, IES, and Federal agencies, including the Social Security Administration, Department of Homeland Security, and Internal Revenue Service (IRS).
- II. Portals – Points of entry, including web portals, require a “no wrong door” approach to ensure that all customers can access the services they need and are eligible for regardless of their starting point.
- III. User experience – The IES and HIX systems should have the same look and feel to ensure a seamless user experience.
- IV. Call centers – Although IES and HIX will have separate call centers, they must be closely coordinated, ensuring a “no wrong door” experience for customers who initially contact one call center but require support from the other. The HIX and IES call centers will be individually operated (a HIX call center is not being requested through this RFP).
- V. Appeals – HIX will establish its own process for handling eligibility questions and appeals. This will be separate from appeals processes for other programs handled by IES. However, since HIX will rely on IES for individual eligibility determinations, and because many customers will “churn” between HIX and Medicaid eligibility, substantial coordination will be required to ensure a satisfactory customer experience.
- VI. Information sharing – Two-way information sharing between HIX and IES is essential and should utilize a single data store as much as possible.
- VII. Contingency planning – A strong and coordinated contingency plan will minimize disruptions for customers and workers in the event of failures, delays, and other deficiencies in either IES or HIX.
- VIII. Testing and change management – IES and HIX must establish a coordinated approach to initial testing as well as future releases.
- IX. Training – A coordinated training plan will support the State’s “no wrong door” approach and ensure that workers and community-based assisters, including navigators, are well-prepared to facilitate enrollment in insurance affordability programs.
- X. Single sign-on (SSO) Authentication – SSO is an individual, online account that has strong privacy and security protections and is created to allow applicants and enrollees to store, access, and revise their personal information, such as enrollment information. SSO will allow customers to log in to gain access to both the IES and HIX systems (without being prompted to log in separately).

**3.2.1.2** In its response to this RFP, the Offeror must describe:

**3.2.1.2.1** Its approach to planning and coordinating HIX system development in alignment with IES implementation to ensure that IES implementation accommodates HIX requirements and related business processes, and that HIX implementation accommodates IES.

**3.2.1.2.2** Its approach to the specific areas requiring coordination noted in 3.2.1.1 and its approach to discerning and responding to additional areas requiring coordination.

**3.2.1.2.3** Its experience designing effective functional interoperability between multiple systems that share services.

**3.2.1.2.4** Its approach to building seamless integration with systems in different stages of development.

**3.2.1.2.5** Its experience coordinating with multiple vendors on interrelated projects of similar scope and complexity.

**3.2.1.2.6** Its capacity to achieve the required degree of interface with the IES, including the HIX and IES having the same look and feel (user interface), and its approach to monitoring progress, identifying risk, and achieving satisfactory resolutions to successfully complete the HIX project, including examples from projects of similar scope and complexity.

**3.2.1.2.7** Its application architecture to provide for seamless applicant or participant data transfer to and from the IES.

### 3.2.2 HIX Business Functions

The ACA specifies a number of core functions that an Exchange must meet. Section 3.2.2 describes the business functions the HIX must perform, including overall requirements (found in Section 3.2.2.1) applicable to each of the separate business functions described below.

#### 3.2.2.1 Overall Requirements

I. The requirements detailed in Section 3.2.2.1 are applicable across Sections 3.2.2.2 through 3.2.2.7.

**3.2.2.1.1** The Vendor must meet overall requirements including, but not limited to:

- I. Working with the State and the HIX Design Management team to define and develop HIX business processes and technical requirements to meet all core functions described in the ACA, all federal and State requirements, applicable regulations, guidance documents, Funding Opportunity Announcements (FOA), current and future State statute, etc. The Vendor must also ensure that functions currently performed by State agencies or other entities have the necessary business requirements and functionality to support the HIX (e.g., leveraging plan management functions currently performed by DOI, including plan certification and rate review).
- II. Designing, developing, and implementing identified business requirements, rules, and processes for the HIX, accounting for changes in federal and State rules and data requirements. In its HIX solution, the Vendor shall utilize COTS, GOTS, Early-Innovator and other third-party products, and, to the extent necessary, custom design. There will be some traditional Software Development Lifecycle (SDLC) activities required, including designing the interoperability with IES. The Vendor must also assist with validating and finalizing all business and technical requirements to ensure successful design and implementation of the HIX.
- III. Coordinating the business requirements design, development, and implementation process with other HIX planning and development efforts as directed by the State and as needed. This may include, but is not limited to, coordinating with work conducted through Exchange Establishment Grant(s), the IES Vendor, the HIX IT Design Management team, potential HIX and IES call center vendors, DOI, HFS, DHS, ILHIE, and HHS.
- IV. Providing required functionalities through modern and evolving technologies in addition to the required web portal, including a mobile web portal, mobile applications, text messaging, or other media as appropriate for the various functions, to reach consumers who have internet enabled phones and other mobile devices.
- V. Using Enroll UX 2014 as the primary UI design architecture for the HIX user experience by integrating the Enroll UX 2014 design into the HIX and/or a best practice equivalent to help eligible consumers successfully enroll in and retain coverage. The resulting design should have the same look and feel as IES to ensure a seamless user experience.
- VI. Providing data capture methods, analysis tools, Business Intelligence/Performance Measurement dashboards, and other necessary tools. The HIX will have extensive data collection and analysis needs and must have the capability to capture, analyze, and report critical business intelligence in an automated fashion. HIX will require data analysis on operations and outcomes in order to adjust policies, strategies, and processes.
- VII. Implementing systems and program operations regarding information receipt and reporting to HHS, Treasury, and other appropriate federal and state agencies and/or authorized third parties, such as QHPs and enrollees, that includes but is not limited to:
  1. Capturing data used in the enrollment process.
  2. Submitting relevant data to HHS for information reporting.
  3. Generating information reports to enrollees.
  4. Generating information reports to other stakeholders through report writer functionality.

**3.2.2.1.2** In its response to this RFP, the Offeror must describe:

**3.2.2.1.2.1** Its proposed approach to documenting, validating, and finalizing business and technical requirements in partnership with the State and HIX Design Management team and the Offeror's experience in providing such services to other clients.

**3.2.2.1.2.2** If the design, development, and implementation of business requirements will be met through COTS, GOTS, Early Innovator or other third-party products or, where necessary, custom design and the Offeror's experience with developing or configuring relevant functions for other clients.

**3.2.2.1.2.3** Its methodology for utilizing finalized business and technical requirements to develop detailed design documents and its proposed approach to ensuring that requirements for the HIX system are delivered as designed.

**3.2.2.1.2.4** Its approach to coordinating the design, development, and implementation process for the HIX system with other related planning and development efforts (including but not limited to work conducted through Exchange Establishment Grant(s), the IES vendor, the HIX IT Design Management team, potential HIX and IES call center vendors, DOI, HFS, DHS,

ILHIE, and HHS). Describe the Offeror's experience coordinating the design, development, and implementation of projects of similar size with stakeholders in multiple agencies.

**3.2.2.1.2.5** Its approach to providing required functionalities through modern and evolving technologies, including a mobile web portal, mobile applications, text messaging, or other media as appropriate to reach consumers who have internet enabled phones and other mobile devices and the Offeror's experience in implementing similar solutions.

**3.2.2.1.2.6** Its approach to implementing the UI design architecture for the HIX user experience, including the use of Enroll UX 2014 or a best practice equivalent, compatibility with IES, and the Offeror's experience implementing similar requirements for other clients. If a best practice equivalent is proposed, describe the design's superiority in terms of user experience, design specifications, flow, presentation, comparison tools, and other key elements.

**3.2.2.1.2.7** Its approach to facilitate the capture, analysis, and reporting of data collected through HIX, including data analysis tools, standardized reports, and customized reporting and the ability to continuously refine and modify its data analysis reporting capability as needs evolve.

**3.2.2.1.2.8** Its approach to designing, developing, and implementing required information reporting and receipt capabilities including, but not limited to, HHS, Treasury, other appropriate federal and State agencies, and/or authorized third parties and enrollees. Describe the Offeror's experience in implementing similar functionality.

**3.2.2.1.2.9** Its recommendation for key performance indicators on the HIX and its proposed solution to support key performance indicator analysis.

### **3.2.2.2 Eligibility and Enrollment**

I. Under the ACA, states that elect to operate an individual Exchange must also establish a SHOP. The HIX system must accommodate both individual and SHOP Exchange requirements. The SHOP must carry out the same functions as the individual Exchange, except for the functions specific to the individual market. The SHOP must have additional functionality to meet SHOP-specific requirements.

**3.2.2.2.1** The Vendor must design, develop, and implement a HIX solution that meets all federal and State requirements for individual Exchange Eligibility and Enrollment including, but not limited to:

- I. Providing availability 24 hours a day, 7 days a week.
- II. Allowing consumers to save entered information through SSO and retrieve the information to continue shopping in the future.
- III. Allowing consumers to shop anonymously with minimal information (zip code, age, tobacco use, and income).
- IV. Providing seamless integration with the IES and the HHS Hub in the communication of premium tax credits (PTC), advance premium tax credits (APTC) and cost sharing reductions (CSR).
- V. Determining whether an individual is offered affordable, minimum essential coverage through employer sponsored insurance, including connecting to the HHS Hub if necessary.
- VI. Integrating and interfacing with other state, federal, and private systems as appropriate, including, but not limited to, IES, the HHS Hub, QHPs, individuals, and employers to communicate eligibility, enrollment status, PTC and APTC level, and other results.
- VII. Allowing the transmission and receipt of supporting documentation for an application between the appropriate parties, including, but not limited to individuals, IES, and the HHS Hub.
- VIII. Allowing acknowledgement and receipt of enrollment transactions, premium payments, and reconciliations with QHP issuers, the HHS Hub, and individuals.
- IX. Allowing consumers to update their household information and to request revised eligibility determinations and financial support (which may lead to a new plan enrollment) at any time through SSO.
- X. Allowing consumers to enroll different family members in different QHPs and/or public programs, and manage all enrollments through SSO, including employee enrollment through the SHOP. The consumer must be able to view, update, export, and print their information at any time and from multiple locations.
- XI. Integrating seamlessly with IES and the HHS Hub for determinations and the coordination of appeals including, but not limited to, eligibility determinations, PTC, APTC and CSR determinations, exemptions from the individual responsibility requirement, and employer liability for the employer responsibility payment.
- XII. Allowing for the use of assisters in the eligibility and enrollment process, as described in Section 3.2.2.5

**3.2.2.2.2** The Vendor must design, develop, and implement a HIX solution that meets all additional federal and State requirements for SHOP Eligibility and Enrollment including, but not limited to:

- I. Verifying employer size, location, and other participation criteria, such as minimum participation requirements and contribution levels.
- II. Processing an employee roster and the employer's selected QHP options for its employees, including communication of this information to IES and the HHS Hub.
- III. Integrating seamlessly with other state, federal, and private systems as appropriate, including, but not limited to, IES, the HHS Hub, QHP issuers, employees, and employers to communicate eligibility, enrollment status, employer contribution levels, and other necessary information.
- IV. Communicating and receiving enrollment transactions and reconciliation with QHPs, employers, and other necessary parties.
- V. Providing premium payment receipt functionality for employees and employers.
- VI. Allowing employees to update their online account with household information and to request revised eligibility determinations (potentially leading to a new plan enrollment) at any time.
- VII. Allowing employees to enroll different family members in different QHPs and/or public programs and manage all enrollments through one account.
- VIII. Integrating seamlessly with IES and the HHS Hub for determinations and appeals including, but not limited to, exemptions from the individual responsibility requirement, payment and eligibility determinations, and employer responsibility payment liability, including communication with IES, the HHS Hub, consumer assistance programs, and other necessary parties. The SHOP must have the same look and feel as the individual HIX.

**3.2.2.2.3** The Vendor must develop and implement a HIX solution that allows consumers to migrate seamlessly between different types of coverage including Medicaid, individual HIX plans, and SHOP plans, including:

- I. The use of a common user identity.
- II. The capability to track individuals and the functionality to integrate seamlessly with ILHIE, including its master patient index.

**3.2.2.2.4** In its response to this RFP, the Offeror must describe:

**3.2.2.2.4.1** Its experience with developing or configuring eligibility and enrollment functions for other clients.

**3.2.2.2.4.2** Its approach to ensuring seamless integration with IES, the HHS Hub, insurance carriers, employers, and ILHIE including:

- I. Real-time sharing of data between the systems, including the communication of eligibility, enrollment, appeals, financial support, premium payment receipts, and other necessary information.
- II. "No wrong door" for consumers when entering the portals.
- III. The ability of consumers to migrate seamlessly between different types of coverage.
- IV. The use of a common user identity.

**3.2.2.2.4.3** Its process for allowing consumers to shop anonymously, save personal information through secure SSO at any time, and retrieve and update personal information about benefits being received by the entire household at any time through SSO.

**3.2.2.2.4.4** Its approach to determining the availability of alternative affordable minimum essential coverage, individual responsibility requirement exemptions, employer coverage eligibility, employer contribution levels, and allowable QHPs for employees.

**3.2.2.2.4.5** Its approach to giving interested and authorized parties the ability to create reports based on data within the system, including, but not limited to, reports on eligibility, enrollment, and reconciliation for the State, QHPs, the HHS Hub, employers, and consumers.

### **3.2.2.3 Plan Management**

I. While most functionality will be transferred from DOI to the Exchange authority as described in Section 3.1.2.4, Plan Management functions will largely be retained within DOI. Therefore, the Vendor must implement both the functionality for DOI to perform Plan Management operations as well as an interface allowing the HIX to access necessary information from DOI and to communicate with the HHS Hub. This must include the ability to interface with the System for Electronic Rate and Form Filing (SERFF) or a best practice equivalent. Plan Management functions provided by SERFF currently and in upcoming months are available in Attachment #4.

**3.2.2.3.1** The Vendor must design, develop and implement a HIX solution that meets all federal and State requirements for Exchange Plan Management including, but not limited to:

- I. Allowing the HIX to receive, evaluate, and certify QHPs, including the ability to:
  1. Receive QHP applications.
  2. Support scheduled enrollment periods to accept new plans.
  3. Publicize QHPs.
  4. Record and issue QHP issuer agreements.
  5. Maintain certification documentation received from DOI.
  6. Transmit issuer/plan information to the HHS Hub.
  
- II. Supporting an issuer and plan renewal certification process, including the ability to:
  1. Request and receive notification of an issuer's intent to renew or discontinue plans.
  2. Review issuer information.
  3. Issue notices of non-renewal to issuers.
  4. Generate (or amend) QHP issuer agreements.
  5. Decertify plans and send notice to issuers.
  6. Notify DOI and the HHS Hub of non-renewal or decertification.
  7. Support recertification of plans and notify issuers.
  
- III. Supporting a clear compliance monitoring and decertification policy, including but not limited to, an appeals and notification process, including the ability to:
  1. Maintain documentation of plan compliance with QHP criteria.
  2. Record and transmit quality data to HHS.
  3. Issue denial notifications.
  4. Gather, analyze, and aggregate plan and performance data.
  5. Analyze certification compliance data.
  6. Update plan quality rating.
  7. Transmit certification compliance information to issuers.
  8. Resolve certification compliance issues based on business rules.
  9. Resolve outstanding compliance issues.
  10. Provide complaint information, licensure changes, solvency status, and market conduct results to DOI and other necessary parties.
  
- IV. Allowing the HIX to maintain operational data. This includes the ability to:
  1. Receive and store complaint information.
  2. Track and transmit complaint reports to the DOI and the HHS Hub.
  3. Receive complaint summaries.
  4. Analyze complaint information to identify patterns and trends based on business rules.
  5. Receive and renew changes in marketing trends and notifications.
  6. Record approvals and store information.
  7. Review and analyze submitted provider network data.
  8. Receive and record changes to a plan's provider network.
  9. Receive and analyze transparency and quality information.
  10. Support plan management updates to the HIX website.
  
- V. Allowing the HIX to process changes in plan enrollment availability. This includes the ability to:
  1. Receive notification of changes in enrollment availability and then communicate it to relevant stakeholders.
  2. Send information of change in enrollment availability to the HHS Hub.
  3. Track and store data to support the determination of whether the HIX is offering a sufficient number of plans.
  
- VI. Processing rate review increase justifications, including the ability to:
  1. Receive rate and benefit data to determine rate adequacy and analyze changes in rates and benefits.
  2. Update rate and benefits information in HIX.
  
- VII. Allowing for the standardized comparison of QHPs by consumers, as described in Section 3.2.2.5

**3.2.2.3.2** In response to this RFP, the Offeror must describe:

**3.2.2.3.2.1** Its approach to operating plan management functions, including necessary interfaces, as part of an FFE partnership with HHS in 2014 and as part of the HIX SBE beginning in 2015, including a seamless transition for consumers.

**3.2.2.3.2.2** Its approach to structuring the plan certification process and developing business requirements for the design, development, and implementation of HIX plan management functions in compliance with State and federal requirements, including establishing an interface between HIX and DOI to share necessary plan information.

**3.2.2.3.2.3** Its process for the integration of IT systems needed to receive applications, evaluate data from insurers, and notify insurers of the result of the solicitations for applications for QHPs, including use of the Federal quality rating system to be developed by HHS.

**3.2.2.3.2.4** Its approach to displaying a plan rating system for the rating of QHPs in each benefit level on metrics including, but not limited to, consumer satisfaction, quality, and price.

#### **3.2.2.4 Financial Management**

**3.2.2.4.1** The Vendor must design, develop, and implement a HIX solution that meets all federal and State requirements for Financial Management, including but not limited to:

- I. Allowing for the billing, aggregation, and collection of premiums and remission of payments to plans for enrollees in both the individual and SHOP Exchanges. The HIX must provide a single bill to employers in the SHOP Exchange with employees enrolled in different QHPs (including QHPs offered by different carriers).
- II. Receiving, transmitting, and calculating information related to premium tax credits, advance payments, and CSRs for qualified individuals.
- III. Receiving, transmitting, and calculating information related to small business tax credits on the SHOP.
- IV. Billing for and receiving assessments and/or user fees, or other revenues as defined by the State, to fund HIX operations.
- V. Receiving and transmitting all data and funds necessary for the operation of risk adjustment, reinsurance, and risk corridors.
- VI. Collecting, storing, and transmitting all data necessary to perform Financial Management core area business processes and functions.
- VII. Providing general business management functions, including but not limited to accounting and payroll for the HIX, responding to State and federal audit requests and inquiries, and transmitting payments to external entities, such as certified Navigators.
- VIII. Identifying various means and options to help make HIX financial management activities transparent.

**3.2.2.4.2** In its response to this RFP, the Offeror must describe:

**3.2.2.4.2.1** Its approach to working with the State and the HIX Design Management team to identify and implement required Financial Management activities and business requirements, and its experience in implementing Exchange financial management functions or other similar functions for other clients.

**3.2.2.4.2.2** Its approach to the development of a structure for the management of all financial and business aspects of the HIX, and its experience in implementing such functions for other clients.

**3.2.2.4.2.3** Its approach to identifying opportunities for financial transparency and its experience in facilitating transparency in the development of systems for other clients.

#### **3.2.2.5 Consumer Assistance**

I. The ability for consumers to easily access information about QHPs and compare plans available to them on the HIX is the foundation for increasing access to health care coverage for residents of Illinois. The consumer interface and plan comparison function of the HIX must be fluid, clear, and easy to navigate. Consumers should have access to information most useful to them, including the true insurance value of each plan, possible expenses in each plan during good and bad years, likely effects on out-of-pocket costs of any known future expenses, a HIX-wide provider directory, care and service quality of plans, and coverage gaps.

**3.2.2.5.1** The Vendor must design, develop and implement a HIX solution that meets all federal and State requirements for Consumer Assistance, including but not limited to:

- I. Being accessible to persons with disabilities and compliant with Section 508 of the Rehabilitation Act.
- II. Providing meaningful access to persons with limited English proficiency, as well as to individuals with low levels of literacy.
- III. Allowing individuals to learn general information about coverage and shopping on the HIX by providing educational tools, such as a "How-to" guide, help center, and FAQ for using the website.



- IV. Producing an internet website that includes, but is not limited to providing standardized comparative information on each available QHP including the summary of benefits and coverage; actuarial value metal level tier; medical loss ratio; rate review information; geographic location; and the premium, deductible, and cost-sharing to assist the consumer with budgeting.
- V. Using industry standards and the results of the Pacific Business Group on Health (PBGH) "Helping Vulnerable Consumers in the Exchange Project" or a best-practice equivalent to allow consumers, employers, and employees to compare across health plans in a standardized format and to access customized information. This includes:
  1. Allowing consumers to shop for plans using a plan finder that is equipped with comparison tools that allow the consumer to sort by criterion including, but not limited to, provider, geographic location, metal level, plan quality rating, medical loss ratio, and rate review information.
  2. Making available a cost calculator that displays cost sharing levels by plan pre- and post- the subtraction of any PTC, APTC, CSR, or employer contribution level. The calculator should also allow the consumer to view cost sharing levels at a reduced APTC level if they so choose.
  3. Providing each user for each available plan a dollar amount estimate of the average cost for users with similar age, family size, and other characteristics. This estimate should be the premium (after any government assistance) plus costs that have to be paid out-of-pocket because of cost sharing requirements, including deductibles, co-payments, coinsurance, and out-of-pocket limits. The estimates should be based on actuarial analysis using data on expenses incurred by similar populations.
  4. Providing each user for each available plan a dollar amount estimate of total cost in high-cost years and low-cost years and an estimate of the likelihood of having such years.
  5. Providing a HIX provider directory showing for each available plan the physicians (and possible other providers) that participate in the plan's network or networks. Additionally, the user must be able to enter the names of desired providers and see which plans include those providers in their networks, without having to visit each plan's provider directory separately.
  6. Providing information on health plan quality using available information on results of member surveys, evaluations of plan wellness and care management programs, measures of provider adherence to medical practice guidelines, rate of disputed claims, accreditation, and other quality indicators.
  7. Enabling users to apply personalized weights or filters to various cost and quality dimensions.
- VI. Allowing employers to compare and choose QHPs and contribution levels (e.g. set dollar number or percentage) for employees with the help of plan finder tools, sorting, and a cost calculator. Assistants, such as a Navigator, broker or call center agent, must be able to help an employer with this process.
- VII. Providing employers with an approximation of their small business health care tax credit based on plan selection, contribution level, and other applicable information. Additionally, employers must be notified if any of their selections may be ineligible for a tax credit and given the opportunity to revise their selections accordingly.
- VIII. Permitting assistants to help individuals, employers, and employees with plan selection, enrollment, disenrollment, and renewal and to track and manage client accounts.
- IX. Allowing consumers, employees, and employers to ask for and receive live help or additional information through links or pop up boxes throughout the enrollment, disenrollment, and renewal process. This includes help from assistants and call center agents both by phone and instant web chat.
- X. Displaying certified Navigators and licensed producers within a region for consumers.
- XI. Providing the enrollee the opportunity to perform an experience satisfaction survey.
- XII. Allowing for the full integration of a call center operated through a separate Vendor, including the ability for call center employees to enroll individuals in coverage and answer questions as consumers shop through the HIX website.
- XIII. Providing an online Navigator portal for access and submission of Navigator applications, enrollment in a Navigator Certification Program, access to Navigator education and training materials, submission of Navigator performance metrics, and functionality for Navigator account management.
- XIV. Providing an online portal for agents and brokers to assist them in managing their SHOP books of business.
- XV. Providing transparency of information reported to the HIX during certification, including claims payment policies and practices, periodic financial disclosures, data on enrollment, data on disenrollment, data on the number of claims that are denied, data on rating practices, information on cost-sharing and payments with respect to any out-of-network coverage, and information on enrollee rights under Title I of the ACA.
- XVI. Allowing for communication and linkages to other State health subsidy programs and other health and human services programs, as appropriate.

**3.2.2.5.2** In its response to this RFP, the Offeror must describe:

**3.2.2.5.2.1** Its approach to designing, developing, and implementing a HIX website with all required consumer assistance functionality and its experience in implementing similar solutions for other clients.

**3.2.2.5.2.2** Its proposed plan finder tool and sorting functionality to help consumers, employers, and employees shop for coverage, compare across plans, and understand applicable contribution and financial assistance/subsidy levels using industry standards and the results of the PBGH "Helping Vulnerable Consumers in the Exchange Project" or a best-practice equivalent. If the Offeror chooses to use a best-practice equivalent, describe and demonstrate the design's superiority in terms of user experience, methodology, and other key design specifications of the deliverable.

**3.2.2.5.2.3** Its process for allowing individuals, employers, and employees to receive live help throughout their interaction with HIX from the call center and assisters.

**3.2.2.5.2.4** Its process for allowing relevant assisters to track and manage client accounts.

**3.2.2.5.2.5** Its approach to integrating HIX website and system functionality with a call center operated by a separate vendor.

**3.2.2.5.2.6** Its approach to working with the HIX marketing and branding Vendors, as well as developing and configuring web portal/user experience functions for other clients.

### **3.2.2.6 Communications**

**3.2.2.6.1** The Vendor must design, develop and implement a HIX solution that meets all federal and State requirements for Communications, including but not limited to:

- I. Generating written correspondence to consumers, employees, and employers automatically to support eligibility and enrollment activities, including, but not limited to, notices on open enrollment and annual renewals and changes in plan participation.
- II. Allowing notifications to be sent and received by the HIX regarding application completeness, accuracy, etc. for all HIX participants.
- III. Allowing notifications to be sent and received by the HIX regarding appeals and submission of relevant data to the HHS Hub.
- IV. Coordinating with IES to allow notifications and verifications to be sent to consumers eligible for other state programs (including Medicaid, CHIP, SNAP, and TANF), minimum essential coverage exemption status, APTCs, CSRs, and other areas.
- V. Providing seamless integration with IES for communications regarding appeals and other overlapping areas.
- VI. Providing mechanisms for receiving communication from individuals, employers, federal agencies, and others.
- VII. Ensuring appropriate language is used in notifications, taking into account the needs of a diverse population.
- VIII. Providing evaluation of the appropriateness and usability of communication tools, including modes and methods of communications, devices, etc. that could be utilized by the HIX.

**3.2.2.6.2** In its response to this RFP, the Offeror must describe:

**3.2.2.6.2.1** Its approach to identifying and addressing all HIX Communication components applicable through federal and state requirements and past experience in developing and implementing such components.

**3.2.2.6.2.2** Its approach to the automatic generation of written correspondence to consumers and its experience implementing similar solutions for other clients.

**3.2.2.6.2.3** Its process for notification to and from individuals, employers, and other state or federal agencies regarding applications, appeals, and other necessary information.

**3.2.2.6.2.4** Its methods for evaluation of communication and device tools and utilization.

### **3.2.2.7 Oversight**

I. A central component for Oversight management is addressing program integrity. The HIX is expected to practice sound accounting policies to ensure financial sustainability and promote accountability to HIX management, State and federal government, and the public. The HIX will also need to take steps to prevent fraud, waste, and abuse.

**3.2.2.7.1** The Vendor must design, develop, and implement a HIX solution that meets all federal and State requirements for Oversight, including but not limited to:

- I. Generating data for internal and external oversight and auditing purposes related to operations and management.
- II. Generating data for reporting and evaluation purposes including, but not limited to, enrollee satisfaction surveys, rating and assessment tools, finances, QHPs, claims statistics, complaints data, Navigator and other HIX performance measures, and other HIX activities.
- III. Providing assistance to the HIX in the design and implementation of surveys and other methods to evaluate the outreach, usability, and impact of the HIX.
- IV. Providing privacy and security standards for protecting personal information required by State and federal statute including Personally Identifiable Information (PII), and Federal Tax Information (FTI); guidance and regulations, including ACA, the Health Insurance Portability and Accountability Act (HIPAA), Fair Information and Practice Principles, the National Privacy and Security Framework for Electronic Exchange of Individually Identifiable Health Information, documents identified in Attachment #5, and other applicable sources.

**3.2.2.7.2** In its response to this RFP, the Offeror must describe:

**3.2.2.7.2.1** Its approach to identifying and addressing all HIX Oversight components applicable through federal and State requirements and its previous experience in implementing the proposed solutions.

**3.2.2.7.2.2** Its methods for evaluation, including the use of industry standards and the results of the PBGH “Helping Vulnerable Consumers in the Exchange Project” or a best-practice equivalent when evaluating plan tools and the resulting plan choices made by consumers.

**3.2.2.7.2.3** Its method and process for generating standard and customized data and reports including, but not limited to, enrollee satisfaction surveys, rating and assessment tools, finances, QHPs, claims statistics, complaints data, performance measures, and other HIX activities.

**3.2.2.7.2.4** Its method for addressing privacy and security standards.

### **3.2.3 Technical Infrastructure**

I. Section 3.2.3 describes the technical infrastructure requirements of the HIX. These requirements are shaped in large part by the Exchange Reference Architecture developed by the Centers for Medicare & Medicaid Services (CMS) described in greater detail below. These infrastructure requirements include hosting all phases of system development, testing and production and include requirements for privacy and security.

#### **3.2.3.1 Hosting Services**

I. DOI anticipates the entire technology infrastructure and associated support services will be housed and maintained by the Vendor in a fully-managed data center in Illinois, with at least one other data center located in the continental United States, in order to provide a high level of system response for users and to assure continuity of services and system operation.

**3.2.3.1.1** The vendor must meet Hosting Requirements including, but not limited to:

- I. Architecting the HIX environment to deliver functionality under a SaaS model. The proposed environment must be scalable to meet the initial and ongoing growth needs of the HIX.
- II. Ensuring the system supports browsers that are consistent with the Centers for Medicare & Medicaid Services (CMS) Guidance for Web-Based user interface. In the absence of defined guidance by CMS, the system must support commonly used browsers (defined as those with a 5% market share or greater) and for each, support the current version plus the two prior versions.
- III. Providing the State with a comprehensive Service Level Agreement (SLA) that fully describes the level of performance including allowable levels of down time, system performance guarantees, etc. associated with the hosting service.
- IV. Maintaining strict access controls to ensure the safeguarding of all the areas of the data center. The Vendor must ensure that all private data stays confidential, data and systems are not altered in any unauthorized way, any and all actions performed are documented and accounted for, and data and systems are available when needed.
- V. Ensuring all data that is collected, stored, transmitted, or otherwise by the Vendor as part of the hosting arrangement is contained, stored, and transmitted with reasonable measures preventing the unauthorized processing, capture, transmission, and use of data.
- VI. Providing assurances that the hosted system will be continuously secure.
- VII. Ensuring that all facilities hosting the HIX system are in compliance with security controls described in NIST 800-53 rev 3 (see Attachment #2).

- VIII. Ensuring that all personnel working in facilities hosting the HIX system have appropriate security clearances as described in NIST 800-53 rev 3 (see Attachment #3).
- IX. The vendor must meet or exceed all requirements for vendor hosted services as described in Attachment # 14 – Vendor Hosted System – IT Requirements.

**3.2.3.1.2** In its response to this RFP, the Offeror must describe:

**3.2.3.1.2.1** Its overall technology architecture, with an emphasis on presenting the architecture's ability to effectively deliver functionality under a SaaS model.

**3.2.3.1.2.2** Its plan for a scalable hardware and communications technology environment that will meet the initial and expected future growth of HIX.

**3.2.3.1.2.3** Its operations management plan, including, but not limited to, facility support, network operations, systems management, hardware and software upgrades, storage management, performance monitoring, trouble reporting and resolution, and the method and frequency of notification of these processes to the State.

**3.2.3.1.2.4** Its approach to guaranteeing at least 99.99% uptime and providing backup, disaster recovery services, and a business continuity plan for the HIX, including addressing a scenario that involves multiple data center failures.

**3.2.3.1.2.5** Its specific type of daily, weekly, and monthly reporting that will be provided to enable the State to monitor the transactions occurring on the HIX and effectively monitor system performance.

**3.2.3.1.2.6** Its proposed SLA with the State and its components, including, but not limited to, specific measurement baselines, performance requirements, escalation/resolution processes when SLA metrics are not being met, and agreeable remedies for breach or violations of the SLA.

**3.2.3.1.2.7** Its approach to ensuring the application of the provisions in HIPAA, ACA, or other mandated privacy protected health information rules to the data/information at rest, in motion, and when destroyed, including encryption schemes and frequency of destruction.

**3.2.3.1.2.8** Its process for halting the destruction of information when a litigation hold has been implemented and whether the State will have the ability to search, retrieve, and review its data independent of the Vendor.

**3.2.3.1.2.9** Its proposal regarding electronic discovery (e.g., managing, indentifying, preserving, reviewing, and producing electronically stored information).

**3.2.3.1.2.10** Its currently valid third party audits, accreditations, and/or certifications obtained validating proper controls in place to certify security of data and the data center.

### **3.2.3.2 Multiple environments**

**3.2.3.2.1** The Vendor must be committed to multiple environments as determined necessary to support a fully operational architecture for a system of this magnitude and required availability.

**3.2.3.2.2** At a minimum, the solution must include or support the following environments:

- I. Development Environment – Used by the Vendor to develop and unit test all new software and release updates.
- II. Test Environment – Used by the Vendor for integrated system testing..
- III. Training Environment – Used by the HIX and Vendors during initial, ongoing, new staff on boarding, and any other HIX required training.
- IV. User Acceptance Testing (UAT) Environment – Used by HIX and the State to test the solution prior to deployment and (subsequent to deployment) major software updates before moving the updates to the Stage environment. The UAT environment represents exactly what the end user will see in the production environment once the software is accepted and promoted to the Production environment.
- V. Stage Environment – Used by the Vendor to perform the final testing, including full regression, operational load, and transaction stress testing on the most recent user-accepted release before it is promoted to the Production or Training environments. The Stage environment, from both a hardware and system software standpoint, is an exact replication of the Production environment.

- VI. Production Environment – Used by the Vendor to manage real client data, eligibility, enrollment, etc.
- VII. Failover/Disaster Recovery Environment – Used in the event of a failure in the Production environment and is an exact replication of the Production environment. All production data will be mirrored in the Failover/Disaster Recovery system in real time.

**3.2.3.2.3** Additionally, the Vendor, who will also be the hosting provider, is responsible for the setup and maintenance of all of the above-named environments. This includes all network components, computer hardware platforms, software, servers, and facilities. The vendor may need to work with IES to provide expertise or assistance to maintain the shared eligibility rules engine, which will be maintained by the IES vendor.

**3.2.3.2.4** The Vendor is required to communicate any system modifications or additions required to maintain all mandatory technical and performance expectations due to software / hardware upgrades as soon as possible or at least 60 calendar days prior to the upgrade.

**3.2.3.2.5** In its response to this RFP, the Offeror must describe:

**3.2.3.2.5.1** Its recommended best practices, tools and policies used to manage the code promotion process;

**3.2.3.2.5.2** Its recommended configuration management methodology and requirements support for the set up, utilization, and maintenance of all proposed environments.

### **3.2.3.3 Technical Architecture, Infrastructure Design, and Security**

I. CMS is creating a set of integrated architecture technical documents to guide the IT development of state Medicaid and Exchange programs. Two sources provide the framework for this guidance, the Medicaid IT Architecture (MITA) and the newly developed Exchange Reference Architecture foundation.

II. With MITA, CMS is establishing a national framework of enabling technologies and processes that support improved administration for the Medicaid program and foster integrated business and IT transformation across the Medicaid enterprise. With the Exchange Reference Architecture foundation, CMS is informing the states about key architectural principles and guidelines that support the business of providing Medicaid and Exchange services. Included are IT principles, technology standards, IT governance, and identified areas where collaborative discussions are necessary to ensure the most effective and efficient environment for Medicaid and Exchange IT services.

**3.2.3.3.1** The Vendor is required to comply with all current and future reference, guidance, and framework documents governing Exchanges. In addition, the Vendor must be able to provide timely information for the Advance Planning Document (APD) process, whether that be through the HIX, IES, DHS, or HFS when requested. The guidance documents currently released by CMS include the following:

- I. IT Guidance: The Guidance for Exchange and Medicaid IT Systems, Version 2.0 dated May, 2011 (see Attachment #2), establishes the overarching IT architecture principles for the Medicaid and Exchange IT systems. The Exchange Reference Architecture: Foundation Guidance, Version 0.99 dated March 16, 2011 (see Attachment #2) document introduces the scope and overall guidance of the Exchange Reference Architecture, including the Exchange Business Architecture, Information Architecture, and Technical Reference Architecture (TRA). The Foundation Guidance also introduces the Exchange Life Cycle (ELC) model and the collaborative Application Life Cycle Management (ALM) environment. It describes how detailed architecture supplements will open a dialogue with and communicate guidance to the Medicaid and Exchange stakeholders.
- II. Technical Guidance: MITA and a complementary set of Exchange TRA supplements jointly provide Medicaid and Exchange technical architecture guidance to enable secure, effective and efficient Medicaid and Exchange IT system implementation. The Exchange TRA addresses challenging technology topics, including Infrastructure, Web Services, Data Exchange, and a Harmonized Security and Privacy Framework. The first Exchange TRA supplement released to the states is the Harmonized Security and Privacy Framework – Exchange TRA Supplement, Version 0.95 dated March 16, 2011 (see Attachment #2). Additional security and privacy related documents that have been produced by CMS include: A Catalog of Minimum Acceptable Risk Controls for Exchanges – Exchange Reference Architecture Supplement, Final Draft dated March 16, 2012 (Attachment #6), Moderate Security Requirements SSP Workbook for Health Insurance Exchanges, dated March 5, 2012 (Attachment #7), System Security Plan (SSP) Procedure for Health Insurance Exchanges, dated April 9, 2012 (Attachment #8), and System Security Plan (SSP) Template, dated April 9, 2012 (Attachment #9).

**3.2.3.3.2** The State is seeking a user-friendly, web-based HIX system architected to allow the component systems to communicate using exposed shared services through a common architecture. Service Oriented Architecture (SOA)

will have a prominent role in the implementation of the enterprise architecture required by HIX. The SOA architecture for HIX will be used to facilitate data sharing with the IES using loosely coupled services.

**3.2.3.3.3** The Vendor must provide system security deliverables. Details regarding the specific due dates for each of the System Security deliverables outlined below will be determined during contract negotiations.

**3.2.3.3.3.1** System Security Plan (SSP) and Safeguard Procedures Report (SPR) - The Vendor must develop a System Security Plan for the HIX using the guidance from CMS described above to establish an information security program in accordance with the Federal Information Security Management Act (FISMA) and demonstrate compliance prior to HIX allowing the system to transition to operations. Using the SSP, the Vendor must also work with the State to complete the IRS ACA Safeguard Procedures Report (SPR) (Attachment #10). Please see Attachment #2 for links to additional related publications.

**3.2.3.3.3.2** Security Risk Assessment (SRA) - HIX, DOI, or an independent entity will perform a security control assessment. HIX will provide the Vendor a copy of the approved security control assessment. Once the Vendor receives the approved assessment, the Vendor must then develop a security risk assessment based on the applicable security controls.

**3.2.3.3.3.3** Security Life-Cycle Management - HIX requires a security lifecycle management process that ensures the appropriate protocols are implemented during the design efforts and maintained throughout the system's use and decommission. This process shall include the following:

- I. Performing reviews and reauthorization of the system at the direction of the State.
- II. Performing continuous monitoring of the security system. Continuous monitoring must include periodically selecting a subset of the baseline controls for assessment. Based on the assessment of these controls, subsequent remediation actions must be identified and implemented. The ongoing remediation process shall include updating key documents such as the SSP, SRA, and other related documents.
- III. Prior to any system or environmental modifications, the Vendor must perform a security impact analysis. This must be included as a part of any change management or configuration management process. If the results of the modification indicate changes to security posture of the system, corrective actions shall be initiated and appropriate documents revised and updated. The updating of the documentation and continuous monitoring shall provide near real-time risk management.

**3.2.3.3.3.4** In its response to this RFP, the Offeror must describe:

**3.2.3.3.3.4.1** How its proposed solution is in alignment with the CMS technology framework articulated in the Exchange Reference Architecture documents.

**3.2.3.3.3.4.2** How the architecture of its proposed solution supports SOA.

**3.2.3.3.3.4.3** Its experience designing, developing, and implementing systems utilizing SOA including its experience with the solution being proposed.

**3.2.3.3.3.4.4** Its experience developing security plans and its recommended approach to developing an SSP (including the SPR) and performing an SRA.

**3.2.3.3.3.4.5** How it will meet security requirements with regard to the confidentiality, integrity and availability of the system and the information processed, stored, and transmitted by the system including PII, and FTI.

#### **3.2.3.4 Documentation Procedures**

I. The Vendor is responsible for providing the State a complete, accurate, and timely documentation of the HIX system when requested. The Vendor shall keep the documentation up to date, providing updates that incorporate all changes, corrections, and enhancements.

**3.2.3.4.1** System documentation must include, but is not limited to:

- I. Supporting users at every level, from the front line user to program administrators to technical staff, as they navigate the system.
- II. Being maintained in a dynamic shared repository available through the project website, including all documentation from online user manuals to technical documentation of the system software.
- III. Being linked to and with all other associated documentation.
- IV. All documents should be version controlled, clearly identified, and dated, with easy to learn navigation principles.
- V. Being available and updated on electronic media.
- VI. Including system and subsystem narratives that are understandable by non-technical personnel.
- VII. Containing an overview of the system, including, but not limited to, a narrative of the entire system, business process models, and a description of the operating environment.

**3.2.3.4.2** In its response to this RFP, the Offeror must describe:

**3.2.3.4.2.1** Its approach for developing and maintaining technical and end-user documentation, systems and operational documentation, system configuration documentation, and procedural documentation, including manuals, quick reference guides, tutorials, online help, job aids, and other techniques as appropriate.

**3.2.3.4.2.2** Its approach to keeping technical and user documentation current throughout the project and life of the system

**3.2.3.4.2.3** Its approach to the online help functions delivered with the proposed software, and the processes available, if any, to customize the online help functions to support the software as configured and customized to meet HIX's business needs.

**3.2.3.4.2.4** Its approach to version control procedures.

### **3.2.3.5 Document Imaging Services**

**3.2.3.5.1** It is a future goal of the HIX to conduct business processes using electronic means including electronic content management; however, consumers will always have the option to use a paper application. Therefore, HIX will continue to have the need to image any paper applications and all other supplemental documents in the future.

**3.2.3.5.2** In its response to this RFP, the Offeror must describe:

**3.2.3.5.2.1** Its approach for supporting expected business requirements associated with imaging.

**3.2.3.5.2.2** Its solution to achieving "paperless" processes to the maximum extent practical.

**3.2.3.5.2.3** Its solution to integrating with other imaging systems.

### **3.2.4 Facilities Location and Space Requirements**

**3.2.4.1** The Vendor must:

- I. Maintain a project facility in Chicago within five miles of the State of Illinois Building, 100 W. Randolph St., Chicago, IL 60601.
- II. Base some number of full-time designated Key Staff (as described in Section 3.5) at this facility at relevant times during implementation. The exact number and relevant times will be determined during contract negotiations with the State. The Vendor may perform some development functions outside of this location but within the continental United States, and HIX data must never leave the continental United States. The facility will serve as the base location for the Vendor's staff to work closely with HIX staff during implementation.
- III. Limit access to its facilities to appropriate and authorized personnel only, and provide the State with a copy of its security plan procedures, including for off-site locations. The State reserves the right to perform physical security checks at its discretion.
- IV. Provide one dedicated HIX conference room at the Chicago facility, which the Vendor may use when not in use by HIX staff. The room must be private and enclosed, with tables seating for a minimum of 10 people, and include whiteboard(s), a conference telephone, and video conference capabilities. Additionally, at least two fully functional HIX workstations must also be available for HIX use.
- V. Include a training lab at the facility, complete with a minimum of 20 equipped student workstations and one instructor workstation. Each workstation located in the training room, as well as the additional two noted above,

will be equipped with a PC, keyboard, and mouse that meets minimum ergonomic requirements and be fully functional to both right and left hand users.

**3.2.4.2** In its response to this RFP, the Offeror must describe:

**3.2.4.2.1** Its plans to provide an effective project facility including proposed security standards, procedures, and protocols.

**3.2.4.2.2** Its plans to provide a training lab adequate to train HIX designated staff and other stakeholders.

**3.2.4.2.3** Its plans for which positions and functions will be located in the Chicago area facility and outside the Chicago facility. If off-site (away from Chicago) services are proposed, then the proposed approach must include all off-site coordination activities necessary to manage and coordinate all off-site activity.

### **3.2.5 Training Services**

I. The Vendor will train users on the functionality of the new HIX system for each implementation phase and will develop a training plan, schedule, and correlating materials.

**3.2.5.1** The Vendor must:

- I. Train HIX and other designated staff, including IES staff, the IES Vendor, other agencies and any other personnel deemed necessary, on all aspects of using the HIX system prior to implementation. A training plan, schedule, and correlating materials must be developed.
- II. Provide curricula on how different classes or users shall be initially trained and how ongoing training shall be managed, including training newly-hired staff.
- III. Provide ongoing training as aspects of the system change.
- IV. Develop user acceptance test (UAT) scripts and training conditions to ensure that all aspects of the system can be used in train-the-trainer and instructor-led training for UAT and operational readiness trainings sessions. These scripts must be comprehensive and acceptable to the State.
- V. Deliver training material for computer-based training (CBT), instructor-led training, pre-recorded webcasts, podcasts, and instruction manuals that are easily updated and accessible to State personnel.

**3.2.5.2** In its response to this RFP, the Offeror must describe:

**3.2.5.2.1** All training methods it will employ, including CBT, instructor-led training, pre-recorded webcasts, podcasts, and instruction manuals that are easily updated and accessible to State personnel; and

**3.2.5.2.2** Its experience training on systems of comparable size and scope.

### **3.2.6 Quality Assurance (QA)**

**3.2.6.1** The Vendor must provide a Quality Assurance (QA) process and methodology which is future-oriented and identifies and mitigates project risks well before they become significant issues requiring executive management intervention.

**3.2.6.2** The implementation phases of the project differ somewhat from those expected for ongoing operations. The QA processes for the implementation phases are project execution and software development oriented including a comprehensive software testing plan. The QA processes for ongoing operations are program business oriented. The Vendor must provide and implement a QA Plan, which will identify how the performance expectations referred to in various sections of this RFP will be monitored and achieved.

**3.2.6.3** In its response to this RFP, the Offeror must describe:

**3.2.6.3.1** Its standard QA methodology including a detailed explanation of the QA activities, tools, and templates for both the implementation phases and ongoing operations.

**3.2.6.3.2** Its process to ensure that its project personnel (including subcontractors) have been trained on the QA methodology and that it is followed.

**3.2.6.3.3** Its process for managing QA activities and leveraging the tools and templates.

**3.2.6.3.4** Its process for integrating the HIX staff and Vendor staff into the QA process.



### 3.2.7 Post-Implementation Support Services

**3.2.7.1** The Vendor must provide Post-Implementation Support Services to ensure the smooth, uninterrupted functioning of the HIX. The composition of the Post-Implementation support team shall be approved prior to the team's deployment.

**3.2.7.2** In its response to this RFP, the Offeror must describe:

**3.2.7.2.1** Its approach, services, and level of staffing needed to ensure a successful Post-Implementation Support period for maintaining the HIX.

**3.2.7.2.2** The nature and structure of the proposed Post-Implementation Support Services, including:

- I. Post-Implementation support activities by Vendor staff.
- II. Telephone support available from Vendor subject matter experts (SMEs).
- III. Problem reporting and resolution procedures.
- IV. Other support offered (e.g. patches or fixes and knowledge base).

### 3.2.8 Knowledge Transfer

- I. The Vendor will perform all maintenance and modification to the deployed systems to support their continued operation during the term of the contract. The Vendor must work cooperatively with the State, or other designated entity, to ensure the appropriate staff have been properly prepared to assume the responsibility of maintenance and operations.
- II. Additionally, in the event the State requires a transition after a non-renewal or termination by either party, the State shall notify the Vendor at the same time the State serves notice of non-renewal or termination. The State shall ensure the cooperation of the new Vendor to facilitate a smooth transition. The outgoing Vendor, working in concert with the State and the new Vendor must produce a transition document that has been formally approved by the State, without additional cost to the State. The outgoing Vendor must also provide resources to produce the deliverables outlined in the approved transition document in order to facilitate a smooth transition of operations to the new Vendor, with no impact on end user access to the services provided by the HIX system environment. The outgoing Vendor shall be responsible for the orderly transition of work and the accuracy of data in coordination with the new Vendor. The Vendor must adhere to the following timeline, unless an alternative timeline is approved by the State:
  1. Time of Submittal of Transition Plan Draft – The outgoing Vendor must, within ten calendar days after written notification by the State of the initiation of contract transition, provide an initial draft of the detailed transition document.
  2. State Review of Draft Transition Plan Document – Upon receipt of the draft detailed transition document by the State, the State will review the document, provide feedback and proposed modifications, and facilitate meetings between the departing and incoming Vendors within seven calendar days to work on finalizing the detail transition plan and schedule of milestone and deliverable dates related to the transition effort.
  3. Finalization of Transition Plan – The Vendor shall work with the State and the incoming Vendor to finalize a transition plan within 30 days after written notification by the State of the initiation of the Contract transition
  4. Execution of Transition Plan – The outgoing Vendor will provide appropriate resources to execute the approved transition plan, and cooperate with the State and the incoming vendor in ensuring a smooth transition process.

**3.2.8.1** The Vendor must develop a knowledge transfer plan that includes transferring the knowledge base and artifacts to State staff over the course of the contract, as well as a new Vendor in the case of a transition, without disrupting continued operations. The Vendor will act as a backup knowledge base for a State-determined period of time. The knowledge transfer plan must be comprehensive and cover topics including but not limited to:

- I. The design of the overall system.
- II. Detailed system documentation in a format which is easily navigated and can be maintained.
- III. Descriptions of all COTS/GOTS-based components and/or products developed for other states which were installed for Illinois.
- IV. Procedures for configuring the system and its components.
- V. The tools used for system maintenance and enhancement.
- VI. How the knowledge base transfers will occur.
- VII. The expected period of time for the transfer.
- VIII. The methodologies that will be used.
- IX. Transition Plan requirements and procedures.

**3.2.8.2** In its response to this RFP, the Offeror must describe:

**3.2.8.2.1** A narrative overview of how the Offeror proposes to approach knowledge transfer for the HIX.

**3.2.8.2.2** A detailed description of the methods which will be used to provide system documentation to the State and the methods which will be utilized to maintain the documentation. Offerors shall not propose proprietary products for system documentation.

**3.2.8.2.3** A description of previous successful experience with knowledge transfer.

**3.2.8.2.4** A description of best practices for knowledge transfer that the Offeror recommends employing.

**3.2.8.2.5** Transition requirements and procedures, including, but not limited to:

- I. HIX Databases – How all HIX related data maintained by the outgoing Offeror will be transferred to the State and an incoming Vendor.
- II. HIX Software – How all software components, along with relevant documentation, that were developed specifically for the Illinois HIX will be transferred to the State and a new Vendor.
- III. Business Process Documentation – How all business process documentation related to HIX operation, including process designs, procedure documents, etc. will be transferred to the State and a new Vendor.
- IV. Operations Procedures – How any and all policy and procedure documents developed as part of this contract, defining services the Offeror is providing in the operation of the Illinois HIX, will be provided to the State and a new Vendor.

### **3.2.9 Additional Services**

**3.2.9.1** The State, at its discretion, may request the Vendor to provide additional services as detailed below. The State will utilize a task order process which will consist of the following:

- i. The State will issue a task order for additional services based on a specific need for the HIX project.
- ii. The Vendor will reply with an estimated number of hours for the task order request based on the categories of staff identified in Attachment #13: Position Classifications. The final number of hours included in the task order is subject to negotiation and approval by the State.
- iii. Rates for each staff member will be based on the amount established by the rates included in Table 2 of the Price Proposal (as agreed upon in the final contract).
- iv. The State will formally approve the task order before the Vendor commences work. The vendor will be required to perform the services necessary to satisfy the task order, and will receive payment of the firm total price applicable to the task order upon acceptance by the State.

**3.2.9.2** Details regarding the task order process may be further delineated as part of project start-up activities. The Vendor shall cooperate with the State regarding this process.

**3.2.9.3** While the State assumes the Offeror's response will include relevant experts on its implementation team, the State may require the services of additional experts to assist with unforeseen issues related to the subject of this RFP that may arise. The types of expertise that may be required are identified in Attachment #13: Position Classifications. These experts may include individuals with technical expertise as well as individuals who have significant experience in Exchange policy and the ACA requirements. At the State's discretion, the experts will be engaged on an hourly basis for a specified duration. The State will provide a statement of work for each expert required and engage them on an hourly basis, consistent with the task order process described in Section 3.2.9.1.

### **3.3 Project Planning**

**3.3.1** DOI seeks to establish a functioning HIX in the shortest timeframe possible. The timeline set forth by HHS requires that Exchanges in every state be operational on October 1, 2013. In the table that follows, DOI has proposed implementation dates for specific functionality for the HIX that exists under a federal-state partnership in 2014 before being transferred to an SBE in 2015. As a result, the Vendor must develop necessary functions for state-controlled operations under a federal partnership in 2014 while simultaneously working to develop full functionality for an SBE in 2015. DOI is open to alternative implementation schedule proposals which allow for operation of all state-controlled functions under a federal partnership in 2014 and all SBE functionality in 2015. The Vendor is required to adhere to this timeline pending any changes imposed by HHS or the State by delivering operationally ready HIX components on time that meet the minimum business requirements defined in Section 3.2.2, including seamless integration with IES and all federal requirements. The Vendor must be able to adapt to evolving state and federal guidance and must have the experience and capacity necessary to succeed in this difficult environment. DOI expects a phased approach to this effort, with functionality added over time. Federal approval of SBEs includes successfully completing Stage Gate Reviews. The Vendor will be responsible for producing all required artifacts and participating in these reviews as requested by the State.

BUSINESS AREA	MILESTONE	IMPLEMENTATION DATE (FEDERAL PARTNERSHIP 2014, SBE 2015)
<b>Project Management Office</b>	PMO established, project management plan initiated	Project Start up
<b>Security Plan</b>	Needed for Design Review	11/1/12
<b>Plan Management*</b>	QHPs able to submit application for certification	1/1/2013
<b>Exchange Portal/User Experience</b>	Public and staff facing web sites established	7/1/2014
<b>Individual Plan Selection</b>	QHP Data Loaded To Establish Selection Base	7/1/2014
<b>SHOP Plan Selection</b>	QHP Data Loaded To Establish Small Group Plan Selection Base	7/1/2014
<b>Financial Management</b>	Initiate Electronic Payment Mechanisms Tied To HIX General Ledger Chart of Accounts and QHPs To Facilitate Premium Collection	7/1/2014
<b>User training</b>	Outreach and Education Begins	8/1/2014
<b>Consumer Support including interface with Call Center</b>	Address consumer Requests for Information Prior To Open Enrollment	9/1/2014
<b>Individual enrollment</b>	Open Enrollment Begins	10/1/2014
<b>SHOP Enrollment</b>	Open Enrollment Begins	10/1/2014
<b>Appeals Management</b>	Open Enrollment Begins	10/1/2014
<b>Master Data Management/interface Implementation</b>	Open Enrollment Begins	10/1/2014
<b>Reporting (HIX Data Warehouse)</b>	Open Enrollment Begins	10/1/2014
<b>Other Administrative functionality</b>	Determine minimum requirements for day 1, iterative development	90 days after project start up
* - Plan Management includes all functionalities necessary to meet federal and State standards for Illinois to operate Plan Management under a partnership Exchange in 2014 and as an SBE in 2015.		

**3.3.2** In its response to this RFP, the Offeror must describe:

**3.3.2.1** Its detailed strategy for phased HIX implementation to meet the implementation dates identified in 3.3.1, including HIX capabilities in each phase, rationale supporting the proposed phasing strategy and a UAT and deployment plan. The likelihood of successfully implementing full functionality by these deadlines must be evaluated. Also, describe the strategy for developing necessary functions including completing development of all requirements in this RFP for state-controlled operations under a federal partnership in 2014 (in time for open enrollment on October 1, 2013) while simultaneously working to develop full functionality for an SBE in 2015 (in time for open enrollment on October 1, 2014).

**3.3.2.2** Its approach to project planning by including a detailed project plan that includes, but is not limited to:

- I. A high level timetable presenting the target implementation duration of each phase, including milestones identified in Section 3.3.1.
- II. The specific tasks that will be required to complete each identified phase.

- III. The resources that will be required to complete each task, with special emphasis on human resource support, including expertise and time required of State staff. The Offeror must include a narrative that recommends when, who, and for what purpose DOI and IES staff will be utilized within the project.
- IV. A comprehensive list of key interim and final deliverables for each phase, and critical path reviews/approvals that will be required from DOI.
- V. A timeline, presented at a monthly level (with Month "0" representing the start of the project), defining major tasks/activities and completion milestones planned for each month, as well as critical decision points.

**3.3.2.3** Its project management and governance structure that takes into account the unique challenges of the HIX project, including, but not limited to:

- I. A project management process that is consistent with the Project Management Institute (PMI) project management polices and guidelines as defined in the PMBOK® Guide and CMS System Lifecycle Framework guidelines for project management deliverables
- II. Its recommended overall project management methodology.
- III. Its project organizational structure, including input and roles required for successful management of the HIX as well as the reporting structure and frequency including sample formats of project status reports.
- IV. Its project risk mitigation strategy and specific procedures and processes to implement and enforce the strategy.
- V. Its proposed issue tracking process, including escalation and resolution protocols.
- VI. Its change management process and procedures documented with a flowchart and approach to change control, including steps, roles and responsibilities, and decision points. The Offeror must include sample change control forms and procedures the Offeror has used in other successful projects.
- VII. Its proposed method of Earned Value Management reporting to track performance.
- VIII. Its proposed project management communications plan.
- IX. Its proposed approach to coordinating the HIX IT design, development, and implementation process with other planning and development efforts as directed by the State and as needed. This may include, but is not limited to, coordinating with work conducted through Exchange Establishment Grant(s), the IES vendor, the HIX IT Design Management team, potential HIX and IES call center vendors, DOI, HFS, DHS, ILHIE, and HHS.
- X. Its approach to building the HIX solution while the rules and data needs are still being developed and defined by HHS and the State, as well as potential risks and proposed mitigations of the proposed approach.
- XI. Its acceptance plan and process. The final deliverable acceptance plan must be agreed to by DOI.

### **3.3.3 Deliverables**

- I. The deliverables and milestones described in this section 3.3 are required by the State in the execution of the project, and will be outlined as required in the final contract that is executed by the State and the Vendor. During contract negotiations with the Vendor, the deliverable review and acceptance process, specific payment deliverables, associated milestones, and related payment terms will be finalized. Generally speaking, payments will be proportionate to the work completed. We anticipate post implementation maintenance and support costs to be paid on a periodic basis to be determined during contract negotiations.
- II. The Vendor will be held accountable for any deliverable that is created and/or submitted by any subcontractor.

## **3.4 REPORTING, STATUS, AND MONITORING**

**3.4.1** At the State's option the Parties will work together to monitor performance during the contract and any warranty term. This may include use of a performance scorecard with conditions, milestones, requirements, or timetables that must be met before additional steps may be taken, or payment is due. The scorecard may also record matters related to price, service, quality and other factors deemed important.

**3.4.2** The Vendor shall cooperate with the State in this monitoring activity, which may require that Vendor report progress and problems (with proposed resolutions), provide records of its performance, allow random inspections of its facilities, participate in scheduled meetings and provide management reports as requested by the State.

## **3.5 VENDOR AND STAFF REQUIREMENTS**

### **3.5.1 Vendor Experience**

**3.5.1.1** Because of the extremely short timeframes established through ACA for HIX implementation DOI seeks a knowledgeable and experienced Vendor with a comprehensive understanding of the requirements for an SBE. Experience implementing and operating health insurance distribution technology and services, such as multi-payer quoting portals, health plan direct sales automation, and other SBEs will be significant factors in the procurement decision. Demonstrated knowledge of the health insurance Exchange space, experience and knowledge of the health insurance marketplace, and experience and knowledge of ACA are strongly preferred.

**3.5.1.2** In response to this RFP, the Offeror must describe (without using marketing materials and limiting the response to substantive information which demonstrates experience relative to this project):

**3.5.1.2.1** Its organization, including names of principals, number of employees, client base, areas of specialization and expertise, the jurisdiction in which the Offeror is organized, the date of such organization, and any other information that will assist the Evaluation Committee in formulating an opinion about the stability and strength of the organization.

**3.5.1.2.2** A statement of relevant company experience, including its experience with similar contracts and work and its record of enterprise planning and management of projects of a nature and scope similar to that of the HIX.

**3.5.1.2.3** Recent (within the past five years) experience as the lead organization for implementing an Exchange solution similar to the size and complexity of what is being proposed in this RFP, including a detailed description of past experience installing and integrating the COTS/GOTS-based components and/or products developed for other states that the Offeror is proposing for the HIX solution including, but not limited to, the dates of the period of service, a description of the products and/or service provided, and the current status of the engagement.

**3.5.1.2.4** A discussion of the type and duration of the business relationship with the manufacturer(s) of third-party software whose products are included in the proposed solution.

**3.5.1.2.5** The names and addresses of all subcontractors the Offeror would be using in the performance of this Contract, together with the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. Subcontractors are those specifically hired to provide to the Vendor or another subcontractor some or all of the goods, services, property, remuneration, or other forms of consideration that are the subject of this Contract, including sub-lessees from a lessee of a State agency. The State may request updated information at any time. The Vendor is responsible for assuming all sub-contractors meet all State requirements and can provide documentation.

## **3.5.2 Key Personnel Experience**

**3.5.2.1** The Offeror must provide staff to perform all tasks specified in this RFP. The Vendor shall maintain a level of staffing necessary to perform and carry out all of the functions, requirements, roles, and duties as contained herein, regardless of the level of staffing included in the Proposal.

**3.5.2.2** This section identifies designated key personnel and certain other staff where specific requirements for the role must be met. Individuals filling designated key personnel roles shall be approved by the State. During the term of the contract, the selected Vendor may seek permission from the State to substitute key personnel with new project members. Such permission shall be granted at the State's discretion, pursuant to a written request from the Vendor, including the qualifications and experience of the proposed replacement(s). All designated key personnel shall be dedicated to the HIX project full time, unless otherwise noted, and may not serve in another position, unless noted and approved by the State. Emphasis will be placed upon the qualifications of the Offeror's Project Manager. The Vendor is expected to provide a full-time, onsite Project Manager to manage the Vendor's efforts for the HIX project. The Vendor Project Manager will report to the HIX IT Project Manager and work collaboratively with the HIX Design Management Team.

**3.5.2.3** Key personnel who will be responsible for managing other staff must have experience managing a comparable number of people to the number contemplated in the Offeror's proposal. DOI requires that key staff include the following roles and functions:

- I. Project Manager – The Project Manager will be responsible for all implementation activities as the system is deployed, shall provide weekly status reports to the State, and will serve as the primary point of contact for the State during implementation. The duties of the Project Manager position include ultimate responsibility for HIX work performed by the Vendor; formal communication with DOI, State agencies designated by DOI, other vendors, and the eventual Exchange authority; ensuring compliance with all project requirements and deliverables; and ensuring compliance with all federal and State laws and regulations. The Project Manager must possess the following qualifications:
  1. At least seven years of experience in the design, development, and implementation of large-scale public or private insurance system Information Technology (IT) projects.
  2. At least five years of experience in managing a comparable number of staff on concurrent projects in a complex IT environment.
  3. Experience with the complete architecture and interfaces related to the HIX project.
  4. Demonstrated ability to effectively communicate with a client's senior management and program staff and respond to unanticipated business priorities.
- II. Technical Architect – The duties of the Technical Architect include responsibility for the technical operational aspects of the HIX; installation of all hardware and software required to operate the HIX; system performance tuning, improvement, and balancing; shaping and implementing a security methodology for HIX based on the Federal Information Security Management Act of 2002

(FISMA) provisions; developing a system security plan that fully describes the information system; implementing the appropriate system-specific and common security controls; creating a system authorization process with related policy and procedures; developing and implementing a risk management framework to define internal as well as external risks; and acting as the primary technical contact with DOI, State agencies designated by DOI, other applicable Vendors, and the eventual Exchange Authority. The Technical Architect must possess the following qualifications:

1. At least five years of experience in insurance system design, development, security, and implementation, including managing software application changes and experience in creating a system security categorization schema.
2. At least three years of experience with the complete architecture and interfaces related to the HIX project, including implementing the proposed architecture in an insurance system or a large-scale integrated health care claims processing system.
3. At least five years of experience in managing a comparable number of staff in a complex IT environment and demonstrated ability to simultaneously manage large-scale concurrent projects and effectively respond to unanticipated client business priorities.
4. Demonstrated comprehensive experience using software development lifecycle methodologies.
5. Knowledge and experience with the National Institute of Standards and Technology (NIST) Risk Management Framework (RMF) and privacy and security requirements for safeguarding Federal Tax Information.
6. Understanding how to develop a threat analysis process to identify potential dangers that could exploit information system flaws or weaknesses.

III. Two HIX Business Analysts – The duties of the two HIX Business Analysts include providing strategic business advice for successful establishment of the HIX business functions described in Section 3.2.2; evaluating and recommending modification to policies and protocols to effectuate the design or redesign of State systems and processes; thoroughly researching and collecting information to facilitate the discussion of complex or potentially problematic issues with department coordinators; analyzing causal relationships between activities and outcomes and developing recommendations to achieve stated goals; serving as SMEs and providing policy analysis and recommendations in the core areas of the HIX, as specified in Section 3.2.2; and working closely with developers and a variety of stakeholders to ensure technical compatibility and stakeholder satisfaction. The two HIX Business Analysts must each possess the following qualifications:

1. At least six years of experience with the analysis and design of business processes.
2. At least four years of experience leading teams of comparable size in the development of program specifications and the implementation of software solutions for web-based and portal-based applications.
3. Experience with some or all of the following:
  - a. Functional requirements gathering for health IT, preferably with health insurance Exchange systems.
  - b. Experience with business process models and/or use cases.
  - c. Advising state government agencies on health and insurance matters.
  - d. Working with Exchanges or similar health coverage mechanisms or entities.

IV. Two HIX Technical Analysts – The duties of the two HIX Technical Analysts include performing requirements analysis; participating in designing, implementing, and maintaining the various technical environments; designing, structuring, organizing, and maintaining data; integrating and configuring all proposed modules; and other duties as assigned by the Technical Architect. The two HIX Technical Analysts must possess the following qualifications:

1. At least five years of experience in large system implementations.
2. At least three years of experience in application development management, including recent experience in implementing a project using the Offeror's proposed solution and using the development and testing methodologies proposed by the Offeror.
3. At least three years of experience in data modeling, database administration, data integration, data warehousing, and database design or a related area of work.
4. At least two years of experience with help desk and site support services in the health insurance marketplace arena.
5. Ability to perform responsibilities and required knowledge demonstrated through prior experience on similar projects.

V. Quality Assurance and Testing Manager – The Quality Assurance and Testing Manager will be responsible for the overall quality of the implementation and all aspects of testing for the project. This person is responsible for ensuring the solution represents the deliverables defined by the State and for monitoring and reviewing the progress of the various teams. Duties also include unit testing, system testing, UAT, performance testing, disaster recovery testing, and operational readiness testing. The Quality Assurance and Testing Manager must possess the following qualifications:

1. At least three years of experience leading quality assurance activities and testing efforts for a project of this size and scope.
2. At least five years of experience performing software testing.

- VI. Training Manager – The Training Manager will be responsible for the training activities as the system is deployed. This person is responsible for training staff resources, monitoring and reporting team progress, and coordinating with the IES Training Manager. The Training Manager must possess the following qualifications:
1. At least three years of experience in managing large scale training activities.
  2. At least two years of experience in managing training activities involving multiple agencies and systems.

**3.5.2.4** In its response to this RFP, the Offeror must describe:

**3.5.2.4.1** Its staff's experience in providing the various HIX service components as described in Section 3.2 and experience planning, designing and implementing an Exchange, including a description of its role in design, development, and implementation.

**3.5.2.4.2** Its proposed project organization chart illustrating reporting relationships, and identifying job titles and job descriptions. Minimum qualifications and/or certifications must be included.

**3.5.2.4.3** Its staff headcount projections by month during implementation, including full time equivalent estimates for State staff by month for the duration of the HIX implementation and for ongoing operations once HIX implementation is complete. This information is to be provided utilizing the spreadsheet provided as Attachment #11.

**3.5.2.4.4** Its key staff identified in 3.5.2.3 by providing detailed resumes, including an overview of each proposed key staff role and function, staff knowledge of the ACA and development of Exchanges, and a description of why the individual is well-suited for the HIX project. DOI requires that the key individuals named and presented in Offeror's proposal to be the ones assigned to the HIX project if the Offeror is awarded the contract, unless approval for alternative staff with equivalent experience is received from the State. Additionally, as some key personnel may not be full-time throughout the life of the project, the Offeror shall specify in its proposal when key staff will be on board and the amount of time key staff will commit to the project in various phases.

**3.5.2.4.5** Its pre-employment screening procedures, including background checks and other verifications that are performed on prospective employees, including assurances that all staff assigned to the operation are bonded appropriately.

**3.5.2.4.6** Its process for developing and maintaining a knowledge base among its staff and subcontractors on information related to the ACA, Exchange federal guidance, and information generated by states working individually or with other states on ACA implementation.

### **3.5.3 References**

**3.5.3.1** In its response to this RFP, the Offeror must provide:

**3.5.3.1.1** Four references from established private firms or government agencies (two of each type preferred), other than the procuring Agency, that can attest to the Offeror's experience and ability to perform the contract. Provide the firm/agency name, contact information, including the individual's name who can provide the reference, phone number, and email, a description of the project, the Offeror's role, and the services provided. Any engagement for which references are provided must have occurred within the last five years. Projects initiated more than five years ago, but completed within the last five years, are acceptable. You must attach your references with the responsibility forms.

**3.5.3.1.2** Four references from established private firms or government agencies for the Project Manager proposed (two of each type preferred). Each reference must include the contact name; contact information, including phone number and email; a description of the project; and the Project Manager's role and the time period on the project. These references will be contacted and information utilized as part of the evaluation process. You must attach your references with the responsibility forms.

3.5.5 Subcontractor Disclosure. Will you be using any subcontractors?  Yes  No

If yes, you must identify in Section 7.7 the names and addresses of all subcontractors you will be using in the performance of this Contract, together with the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. Subcontractors" are those specifically hired to provide to the Vendor or another subcontractor some or all of the goods, services, property, remuneration, or other forms of consideration that are the subject of this Contract, including sub-lessees from a lessee of a State agency. We may request updated information at any time.

## **3.6 WHERE SERVICES ARE TO BE PERFORMED**

**3.6.1** Refer to Section 3.2.4.

**3.6.2** Work Location Disclosure: Vendor shall disclose in Section 7.8 the location where the services required shall be performed. If at multiple locations, the known or anticipated value of the services performed at each location shall be identified. This information and economic impact on Illinois

and its residents may be considered in the evaluation. If any work identified for performance in the United States is moved to another country, such action may be deemed a breach of the contract.

### **3.7 OTHER SPECIFICATIONS**

**3.7.1** As required by Illinois Public Act 95-307, all information technology, including electronic information, software, systems, and equipment, developed or provided under this contract must comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as posted at <http://www.dhs.state.il.us/iitaa>.

### **3.8 TERM OF CONTRACT**

The initial term of the contract shall commence on the date of final contract execution and shall continue for three (3) years.

### **3.9 RENEWAL**

The resulting Contract may not be renewed unless the renewal period(s) and any applicable conditions are shown below. The renewal shall be subject to the same terms and conditions as the original Contract unless otherwise stated below. However, the Contract may not renew automatically, nor may the Contract renew solely at the Vendor's option.

The State reserves the right to renew for a total of three (3) years in one of the following manners:

- a) One renewal covering the entire renewal allowance,
- b) Individual one-year renewals up to and including the entire renewal allowance, or
- c) Any combination of full or partial-year renewals up to and including the entire renewal allowance.

End of Instructions



**SECTION 4 - OFFER TO STATE OF ILLINOIS**

Project Title / Reference # IL HIX Project / 12-71894

The undersigned authorized representative of the identified Vendor does hereby submit this Offer to perform in full compliance with the subject solicitation. By completing and signing this Form, we are making an Offer to the State of Illinois that the State may accept. We are also certifying to compliance with the various requirements of the solicitation and the documents contained in the solicitation.

Offeror hereby certifies that no person or entity representing their offer has retained a person or entity to attempt to influence the outcome of a procurement decision made under the Illinois Procurement Code for compensation contingent in whole or in part upon the decision or procurement. Any person who violates this subsection is guilty a business offense and shall be fined.

We have marked each blank below as appropriate and have used N/A when a section is not applicable to this solicitation. We understand that failure to meet all requirements is cause for disqualification.

**We have:**

Reviewed the Offer Form, including all referenced documents as well as the solicitation Instructions, filled in all relevant blanks, provided any requested information, and

Signed on the space(s) provided.

**Acknowledgment of Amendments**

We acknowledge receipt of any and all amendments to the solicitation and have taken those into account in making this Offer.

**Offer Response Forms:** Accompanying and as part of this Offer you will find:

**For all Offers**

- Bid Security, if required
- Designated number of copies
- Electronic copies, if required. For RFP's include separate disks for technical and pricing, with pricing disk sealed in pricing envelope.
- Completed Responsibility Forms packet
  - Business and Directory Information
  - Disclosures and Conflicts of Interest
  - Completed and Signed Taxpayer Identification Number form
- Completed Minority, Female and Person with Disability Status and Subcontracting form, if required
- References, if required
- Political Contributions

**We have made the certification required by Public Act 95-971 and attached the State Board of Elections certificate of registration, if required.**

**For IFBs**

Completed and signed Contract

**For RFPs**

Response to Statement of Work/Specifications/Qualifications and Price sections completed and submitted in separate sealed envelopes in the Offer package.

**Exceptions:** In preparing the Offer we have taken (check one)

- No Exceptions
  - Exceptions to the State's language or requirements in the following sections of the Offer:
    - Contract
    - Responsibility forms
- Details of the exceptions are shown (check one)
- in the text of each section of the Offer
  - on a separate labeled attachment

**Domestic Products (check one)**

- We are not making a claim for preference under the Procurement of Domestic Products Act (30 ILCS 517).
- We are making a claim for preference under the Procurement of Domestic Products Act (30 ILCS 517). After reading the Act we certify we are eligible and that the following product or products bid or proposed in response to this solicitation meet the requirements of the Act. Check and complete as applicable:
  - All products
  - The following individual products (show line item if applicable)

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**Request for Confidential Treatment (check one)**

- We are not requesting confidential treatment for this Offer.
- We are seeking confidential treatment for portions of this Offer. We have supplied, as an attachment to this Offer, a listing of the provisions identified by section number for which we seek confidential treatment along with the statutory basis under Illinois law for exempting that information from public disclosure. We are including a detailed justification to support the statutory basis under Illinois law for exempting that information from public disclosure. **We have supplied an additional copy of the Offer with confidential information deleted.** In the event the designation of confidentiality of this information is challenged, the undersigned hereby agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and agrees to hold the State harmless for any costs or damages arising out of the State agreeing to withhold the materials based on Vendor's request.

**Protests and Negotiations**

If we are selected for award, we understand that does not entitle us to a contract. We further understand the award is conditioned on favorable resolution of any protests and to successful negotiation of terms and conditions including, but not limited to price and any exceptions requested.

**Vendor Contact Person:** The contact person for purposes of responding to any questions the State may have is:

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

Email \_\_\_\_\_

\_\_\_\_\_  
(Vendor name and DBA)

\_\_\_\_\_  
(Signature of party authorized to bind the named Vendor)

Printed Name \_\_\_\_\_ Title \_\_\_\_\_

Address \_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail \_\_\_\_\_

## **SECTION 5 - RESPONSIBILITY FORMS**

We have identified various information we need in order to determine if you are eligible to contract with the State and can be considered a "Responsible" Vendor.

You will need to:

Review each of the Responsibility forms, fill in all relevant blanks and provide any requested information.

Business and Directory Information

Disclosures and Conflicts of Interest

Minority, Female, Person with Disability Status and Subcontracting

Political Contributions

Complete and sign the:

Taxpayer Identification Form

Attach references, if required

You must include all of this as part of your Offer or risk disqualification.

## Business and Directory Information

- (a) Name of Business (Official Name and D/B/A)
- (b) Business Headquarters (include Address, Telephone and Facsimile)
- (c) If a Division or Subsidiary of another organization provide the name and address of the parent
- (d) Billing Address
- (e) Name of Chief Executive Officer
- (f) Customer Contact (include Name, Title, Address, Telephone, Toll-Free Number, Facsimile and E-mail)
- (g) Company Web Site
- (h) Type of Organization (i.e., Sole Proprietor, Corporation, Partnership, etc. -- should be the same as on the Taxpayer ID form below)
- (i) Length of Time in Business
- (j) Annual Sales (for most recently completed Fiscal Year)
- (k) Number of Full-Time Employees (average from most recent Fiscal Year)
- (l) Type of and description of business
- (m) State of incorporation, state of formation or state of organization
- (n) Identify and specify the location(s) and telephone numbers of the major offices and other facilities that relate to the Vendor's performance under the terms of this solicitation.
- (o) Department of Human Rights (DHR) Public Contract Number  
If Vendor has employed fifteen (15) or more full-time employees at any time during the 365-day period immediately preceding the publication of this solicitation in the Illinois Procurement Bulletin (or issuance date if not published), then Vendor must have a current Public Contract Number or have proof of having submitted a completed application for one prior to the Solicitation opening date. (44 Ill. Adm. Code 750.210(a)) For application information call the DHR Public Contracts unit at (312) 814-2431.

Show # \_\_\_\_\_ or attach proof of application.

## DISCLOSURES AND CONFLICTS OF INTEREST

**Instructions:** Vendor shall disclose financial interests, potential conflicts of interest and contract information identified in Sections 1, 2 and 3 below as a condition of receiving an award or contract (30 ILCS 500/50-13 and 50-35). Failure to fully disclose shall render the contract, bid, proposal, subcontract, or relationship voidable by the chief procurement officer if s/he deems it in the best interest of the State of Illinois and may be cause for barring from future contracts, bids, proposals, subcontracts, or relationships with the State.

- There are six sections to this form and each must be completed to meet full disclosure requirements.
- Note: The requested disclosures are a continuing obligation and must be promptly supplemented for accuracy throughout the process and throughout the term of the resultant contract if the bid/offer is awarded. As required by 30 ILCS 500/50-2, for multi-year contracts Vendors must submit these disclosures on an annual basis.

A publicly traded entity may submit its 10K disclosure in satisfaction of the disclosure requirements set forth in Section 1 below. HOWEVER, if a Vendor submits a 10K, they still must complete Sections 2, 3, 4, 5 and 6 and submit the disclosure form.

If the Vendor is a wholly owned subsidiary of a parent organization, separate disclosures must be made by the Vendor and the parent. For purposes of this form, a parent organization is any entity that owns 100% of the Vendor.

This disclosure information is submitted on behalf of (show official name of Vendor, and if applicable, D/B/A and parent):

Name of Vendor: \_\_\_\_\_

D/B/A (if used): \_\_\_\_\_

Name of any Parent Organization: \_\_\_\_\_

### Section 1: Section 50-35 Disclosure of Financial Interest in the Vendor. (All Vendors must complete this section)

Vendors must complete subsection (a), (b) or (c) below. Please read the following subsections and complete the information requested.

- a. If Vendor is a Publicly traded corporation subject to SEC reporting requirements
- i. Vendor shall submit their 10K disclosure (include proxy if referenced in 10k) in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 (a) and (b) of the Procurement Code. The SEC 20f or 40f, supplemented with the names of those owning in excess of 5% and up to the ownership percentages disclosed in those submissions, may be accepted as being substantially equivalent to 10K.

Check here if submitting a 10k , 20f , or 40f .

**OR**

- b. If Vendor is a privately held corporation with more than 400 shareholders
- i. These Vendors may submit the information identified in 17 CFR 229.401 and list the names of any person or entity holding any ownership share in excess of 5% in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 a and b of the Illinois Procurement Code.

**OR**

- c. If Vendor is an individual, sole proprietorship, partnership or any other not qualified to use subsections (A) or (B), complete (i) and (ii) below as appropriate.
- i. For **each individual** having any of the following financial interests in the Vendor (or its parent), please mark each that apply and show the applicable name and address. Use a separate form for each individual.

1. Do you have an ownership share of greater than 5% of the offering entity or parent entity?

Yes  No

2. Do you have an ownership share of less than 5%, but which has a value greater than \$106,447.20?

Yes  No

3. Do you receive more than \$106,447.20 of the offering entity's or parent entity's distributive income? (Note: Distributive income is, for these purposes, any type of distribution of profits. An annual salary is not distributive income.)  
 Yes  No
4. Do you receive greater than 5% of the offering entity's or parent entity's total distributive income, but which is less than \$106,447.20?  
 Yes  No
5. If you responded yes to any of questions 1 – 4 above, please provide either the percentage or dollar amount of your ownership or distributive share of income: \_\_\_\_\_. For partnerships with more than 50 partners, the percentage share of ownership of each individual identified above may be shown in the following ranges (dollar value fields must also be completed when applicable):  
 0.5% or less \_\_\_\_\_ >0.5 to 1.0% \_\_\_\_\_ >1.0 to 2.0% \_\_\_\_\_ >2.0 to 3.0 % \_\_\_\_\_ > 3.0 to 4.0% \_\_\_\_\_ %  
 >4.0 to 5.0% \_\_\_\_\_ and in additional 1% increments as appropriate \_\_\_\_\_ %

6. If you responded yes to any of the questions 1-4 above, please check the appropriate type of ownership/distributable income share:

Sole Proprietorship  Stock  Partnership  Other (explain) \_\_\_\_\_

Name: \_\_\_\_\_

Address: \_\_\_\_\_

ii. In relation to individuals identified above, indicate whether any of the following potential conflict of interest relationships apply. If "Yes," please describe each situation (label with appropriate letter) using the space at the end of this Section (attach additional pages as necessary). If no individual has been identified above, mark not applicable (N/A) here \_\_\_\_\_.

- (a) State employment, currently or in the previous 3 years, including contractual employment of services directly with the individuals identified in Section 1 in their individual capacity unrelated to the Vendor's contract. Yes  No
- (b) State employment of spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. Yes  No
- (c) Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois currently or in the previous 3 years. Yes  No
- (d) Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes  No
- (e) Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. Yes  No
- (f) Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes  No
- (g) Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. Yes  No
- (h) Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. Yes  No
- (i) Compensated employment, currently or in the previous 3 years, by any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes  No
- (j) Relationship to anyone; spouse, father, mother, son, or daughter; who is or was a compensated employee in the last 2 years of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes  No

**Section 2: Section 50-13 Conflicts of Interest** (All Vendors must complete this section)

(a) Prohibition. It is unlawful for any person holding an elective office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois [\$106,447.20], or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person to have or acquire any contract, or any direct pecuniary interest in any contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.

(b) Interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) is entitled to receive (i) more than 7 1/2% of the total distributable income or (ii) an amount in excess of the salary of the Governor (\$177,412.00), to have or acquire any such contract or direct pecuniary interest therein.

(c) Combined interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) together with his or her spouse or minor children is entitled to receive (i) more than 15%, in the aggregate, of the total distributable income or (ii) an amount in excess of 2 times the salary of the Governor [\$354,824.00], to have or acquire any such contract or direct pecuniary interest therein.

Check One:            No Conflicts Of Interest  
                               Potential Conflict of Interest (If checked, name each conflicted individual, the nature of the conflict, and the name of the State agency that is associated directly or indirectly with the conflicted individual.)

**Section 3: Debarment/Legal Proceeding Disclosure** (All Vendors must complete this section).

Each of the persons identified in Sections 1, 2 and 3 must each identify any of the following that occurred within the previous 10 years:

Debarment from contracting with any governmental entity	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Professional licensure discipline	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Bankruptcies	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Adverse civil judgments and administrative findings	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Criminal felony convictions	Yes <input type="checkbox"/>	No <input type="checkbox"/>

If any of the above is checked yes, please identify with descriptive information the nature of the debarment and legal proceeding. The State reserves the right to request more information, should the information need further clarification.

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**Section 4: Disclosure of Business Operations with Iran** (All Vendors must complete this section).

In accordance with 30 ILCS 500/50-36, each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

- i. more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action;  
or
- ii. the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

A bid, offer, or proposal that does not include this disclosure shall not be considered responsive. We may consider this disclosure when evaluating the bid, offer, or proposal or awarding the contract.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

There are no business operations that must be disclosed to comply with the above cited law.

The following business operations are disclosed to comply with the above cited law:

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**Section 5: Current and Pending Contracts** *(All Vendors must complete this section).*

Does the Vendor have any contracts pending contracts, bids, proposals or other ongoing procurement relationships with units of State of Illinois government? Yes  No

If yes, please identify each contract, pending contract, bid, proposal and other ongoing procurement relationship it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number.

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**Section 6: Representative Lobbyist/Other Agent** *(All Vendors must complete this section).*

Is the Vendor represented by or employing a lobbyist required to register under the Lobbyist Registration Act or other agent who is not identified under Sections 1 and 2 and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid, offer or contract? Yes  No

If yes, please identify each agent / lobbyist, including name and address.

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Costs/Fees/Compensation/Reimbursements related to assistance to obtain contract (describe):

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Vendor certifies that none of these costs will be billed to the State in the event of contract award. Vendor must file this information with the Secretary of State.

**This Disclosure is signed and made under penalty of perjury pursuant to Sections 500/50-13 and 500/50-35(a) of the Illinois Procurement Code.**

This Disclosure information is submitted on behalf of: \_\_\_\_\_  
(Vendor/Subcontractor Name)

Name of Authorized Representative: \_\_\_\_\_  
Title of Authorized Representative: \_\_\_\_\_  
Signature of Authorized Representative: \_\_\_\_\_  
Date: \_\_\_\_\_



## **Minority, Female, Persons with Disability Status and Subcontracting**

The Business Enterprise Program Act for Minorities, Females and Persons with Disabilities (BEP) (30 ILCS 575) establishes a goal for contracting with businesses that have been certified as owned and controlled by persons who are minority, female or who have disabilities.

**Contract Goal to be achieved by the Vendor:** This contract includes a specific Business Enterprise Program (BEP) utilization goal of 27% based on the availability of certified vendors to perform the anticipated direct subcontracting opportunities of this contract. In addition to the other award criteria established for this contract, the Agency will award this contract to a Vendor that meets the goal or makes good faith efforts to meet the goal. This goal is also applicable to change orders and allowances within the scope of work provided by the certified vendor.

Following are guidelines for the Vendor's response in the Utilization Plan. A format for the utilization plan is included in this section. Vendor should include any additional information that will add clarity to the Vendor's proposed utilization of certified vendors to meet the targeted goal. The Utilization Plan must demonstrate that the Vendor has either met the contract goal or that it has made good faith efforts to do so.

At the time of proposal submission, the Certified Vendor may not yet be certified with CMS Business Enterprise Program; **however, the Certified Vendor must meet the eligibility requirements and be fully certified in the BEP Program before contract award.** Visit [http://www.sell2.illinois.gov/bep/Business\\_Enterprise.htm](http://www.sell2.illinois.gov/bep/Business_Enterprise.htm) for complete requirements and to apply for certification in the Business Enterprise Program. Vendors who submit bids or proposals for State contracts shall not be given a period after the bid or proposal is submitted to cure deficiencies in the Utilization Plan and the Letter of intent, unless mandated by federal law or regulation (30 ILCS 575(4)(c)).

If applicable, the Plan should include an executed Joint Venture agreement specifying the terms and conditions of the relationship between the partners and their relationship and responsibilities to the contract. The joint venture agreement must clearly evidence that the certified vendor will be responsible for a clearly defined portion of the work and that its responsibilities, risks, profits and contributions of capital and personnel are proportionate to its ownership percentage. It must include specific details related to the parties' contributions of capital, personnel and equipment and share of the costs of insurance and other items; the scopes to be performed by the certified vendor's own forces and under its supervision; and the commitment of management, supervisory personnel and operative personnel employed by the certified vendor to be dedicated to the performance of the contract. Each joint venture partner must execute the proposal to the Agency.

An agreement between a Vendor and a certified vendor in which the certified vendor promises not to provide subcontracting quotations to other vendors is prohibited. The Agency may request additional information to demonstrate compliance. The Vendor agrees to cooperate promptly with the Agency in submitting to interviews, allowing entry to places of business, providing further documentation, or soliciting the cooperation of a proposed certified vendor. Failure to cooperate may render the proposal non-responsive. **The contract will not be finally awarded until the Vendor's Utilization Plan is approved.**

**Certified Vendor Locator References:** Vendors may consult CMS' BEP Certified Vendor Directory at [www.sell2.illinois.gov/bep/Small\\_and\\_Diverse\\_Businesses.htm](http://www.sell2.illinois.gov/bep/Small_and_Diverse_Businesses.htm), as well as the directories of other certifying agencies but subcontracting vendors must be certified by CMS as BEP vendors before the time of contract award.

**Vendor Assurance:** The Vendor shall not discriminate on the basis of race, color, national origin, sexual orientation or sex in the performance of this contract. Failure by the Vendor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the Agency deems appropriate. This assurance must be included in each subcontract that the Vendor signs with a subcontractor or supplier.

**Calculating Certified Vendor Participation:** The Utilization Plan documents work anticipated to be performed by all certified vendors and paid for upon satisfactory completion. Only the value of payments made for the work actually performed by certified BEP vendors is counted toward the contract goal. Counting guidelines are summarized below:

- 1) The value of the work actually performed by the certified vendor's forces shall be counted towards the goal. The entire amount of that portion of the contract that is performed by the certified vendor's forces, including supplies purchased or equipment leased by the BEP vendor shall be counted, except supplies purchased and equipment rented from the Vendor.
- 2) A joint venture shall count the portion of the total dollar value of the contract equal to the distinct, clearly defined portion of the work of the contract that the certified vendor performs with its forces toward the goal. A joint venture shall also count the dollar value of work subcontracted to other certified vendors. Work performed by the forces of a non-certified joint venture partner shall not be counted toward the goal.
- 3) When a certified vendor subcontracts part of the work of its contract to another firm, the value of the subcontracted work shall be counted toward the contract goal only if the certified vendor's subcontractor is a certified vendor. Work that a certified vendor subcontracts to a non-certified vendor will not count towards the goal.
- 4) A Vendor shall count towards the goal 100% of its expenditures for materials and supplies required under the contract and obtained from a certified vendor manufacturer, regular dealer or supplier.
- 5) A Vendor shall count towards the goal the following expenditures to certified vendors that are not manufacturers, regular dealers or suppliers:

(a) The fees or commissions charged for providing a bona fide service, such as professional, technical, consultant or managerial services and assistance in the procurement of essential personnel, facilities, equipment, materials or supplies required for performance of the contract, provided that the fee or commission is determined by the Agency to be reasonable and not excessive as compared with fees customarily allowed for similar services.

(b) The fees charged for delivery of materials and supplies required by the contract (but not the cost of the materials and supplies themselves) when the hauler, trucker, or delivery service is not also the manufacturer of or a regular dealer in the materials and supplies, provided that the fee is determined by the Agency to be reasonable and not excessive as compared with fees customarily allowed for similar services. The certified vendor trucking firm must be responsible for the management and supervision of the entire trucking operation for which it is responsible on the contract, and must itself own and operate at least one fully licensed, insured and operational truck used on the contract.

(c) The fees or commissions charged for providing any bonds or insurance specifically required for the performance of the contract, provided that the fee or commission is determined by the Agency to be reasonable and not excessive as compared with fees customarily allowed for similar services.

6) A Vendor shall count towards the goal only expenditures to firms that perform a commercially useful function in the work of the contract.

(a) A firm is considered to perform a commercially useful function when it is responsible for execution of a distinct element of the work of a contract and carries out its responsibilities by actually performing, managing, and supervising the work involved. The certified vendor must also be responsible, with respect to materials or supplies used on the contract, for negotiating price, determining quality and quantity, ordering the materials or supplies, and installing the materials (where applicable) and paying for the material or supplies. To determine whether a firm is performing a commercially useful function, the Agency shall evaluate the amount of work subcontracted, whether the amount the firm is to be paid under the contract is commensurate with the work it is actually performing and the credit claimed for its performance of the work, industry practices, and other relevant factors.

(b) A certified vendor does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction or contract through which funds are passed in order to obtain certified vendor participation. In determining whether a certified vendor is such an extra participant, the Agency shall examine similar transactions, particularly those in which certified vendors do not participate, and industry practices.

7) A Vendor shall not count towards the goal expenditures that are not direct, necessary and proximately related to the work of the contract. Only the amount of services or goods that are directly attributable to the performance of the contract shall be counted. Ineligible expenditures include general office overhead or other Vendor support activities.

**Good Faith Effort Procedures:** If the Vendor cannot meet the goal, the Vendor must document in the Utilization Plan its good faith efforts that could reasonably have been expected to meet the goal. Vendors must submit utilization forms that meet or exceed the published goal or submit utilization forms that describe a percentage participation that is less than the goal and submit documentation regarding good faith efforts at the time of bid/proposal submission. Vendors will not be permitted to correct goal deficiencies post bid/proposal due dates. The Agency will consider the quality, quantity, and intensity of the Vendor's efforts.

1) The following is a list of types of action that the Agency will consider as evidence of the Vendor's good faith efforts to meet the goal. Other factors or efforts brought to the attention of the Agency may be relevant in appropriate cases.

(a) Soliciting through all reasonable and available means (e.g., attendance at pre-bid meetings, advertising and/or written notices) the interest of all certified vendors that have the capability to perform the work of the contract. The Vendor must solicit this interest within sufficient time to allow the certified vendors to respond to the solicitation. The Vendor must determine with certainty if the certified vendors are interested by taking appropriate steps to follow up initial solicitations and encourage them to bid. The Vendor must provide interested certified vendors with adequate information about the plans, specifications, and requirements of the contract in a timely manner to assist them in responding promptly to the solicitation.

(b) Selecting portions of the work to be performed by certified vendors in order to increase the likelihood that the goal will be achieved. This includes, where appropriate, breaking out contract work items into economically feasible units to facilitate certified vendor participation, even when the Vendor might otherwise prefer to perform these work items with its own forces.

(c) Making a portion of the work available to certified vendors and selecting those portions of the work or material needs consistent with their availability, so as to facilitate certified vendor participation.

(d) Negotiating in good faith with interested certified vendors. Evidence of such negotiation includes the names, addresses, and telephone numbers of certified vendors that were considered; a description of the information provided regarding the plans and specifications for the work selected for subcontracting and evidence as to why additional agreements could not be reached for certified vendors to perform the work. A Vendor using good business judgment will consider a number of factors in negotiating with certified vendors and will take a firm's price and

capabilities into consideration. The fact that there may be some additional costs involved in finding and using certified vendors is not in itself sufficient reason for a Vendor's failure to meet the goal, as long as such costs are reasonable. Vendors are not required to accept higher quotes from certified vendors if the price difference is excessive or unreasonable.

(e) Thoroughly investigating the capabilities of certified vendors and not rejecting them as unqualified without sound reasons. The certified vendor's memberships in specific groups, organizations, or associations and political or social affiliations are not legitimate causes for the rejection or non-solicitation of bids in the Vendor's efforts to meet the goal.

(f) Making efforts to assist interested certified vendors in obtaining lines of credit or insurance as required by the Agency, the Vendor or to perform the scope of work.

(g) Making efforts to assist interested certified vendors in obtaining necessary equipment, supplies, materials, or related assistance or services.

(h) Effectively using the services of available minority/women community organizations; minority/women vendors' groups; local, state, and federal minority/women business assistance offices; and other organizations that provide assistance in the recruitment and placement of certified vendors.

2) In evaluating the Vendor's good faith efforts, the good faith efforts of other vendors to meet the goal on this solicitation or similar contracts may be considered.

3) If the Agency determines that the Vendor has made good faith efforts to meet the goal, the Agency will award the contract provided that the Vendor is otherwise eligible for award.

If the Agency determines that good faith efforts have not been made, it will notify the Vendor in writing of that determination.

**Contract Compliance:** Compliance with this section is an essential part of the contract. The following administrative procedures and remedies govern the Vendor's compliance with the contractual obligations established by the Utilization Plan. After approval of the Plan and award of the contract, the Utilization Plan becomes part of the contract. If the Vendor did not succeed in obtaining enough certified vendor participation to achieve the goal, and the Utilization Plan was approved and contract awarded based upon a determination of good faith, the total dollar value of certified vendor work calculated in the approved Utilization Plan as a percentage of the awarded contract value shall become the contract goal.

1) The Utilization Plan may not be amended without the Agency's prior written approval.

2) The Vendor may not make changes to its contractual BEP certified vendor commitments or substitute BEP certified vendors without the prior written approval of the Agency. Unauthorized changes or substitutions, including performing the work designated for a certified vendor with the Vendor's own forces, shall be a violation of the utilization plan and a breach of the contract, and shall be cause to terminate the contract, and/or seek other contract remedies or sanctions. The facts supporting the request for changes must not have been known nor reasonably should have been known by the parties prior to entering into the subcontract. The Vendor must negotiate with the certified vendor to resolve the problem. Where there has been a mistake or disagreement about the scope of work, the certified vendor can be substituted only where agreement cannot be reached for a reasonable price or schedule for the correct scope of work.

3) Substitutions of a certified vendor shall be permitted under the following circumstances:

- (a) Unavailability after receipt of reasonable notice to proceed;
- (b) Failure of performance;
- (c) Financial incapacity;
- (d) Refusal by the certified vendor to honor the bid or proposal price or scope;
- (e) Material mistake of fact or law about the elements of the scope of work of a solicitation where a reasonable price cannot be agreed;
- (f) Failure of the certified vendor to meet insurance, licensing or bonding requirements;
- (g) The certified vendor's withdrawal of its bid or proposal; or
- (h) Decertification of the certified vendor.

4) If it becomes necessary to substitute a certified vendor or otherwise change the Utilization Plan, the Vendor must notify the Agency in writing of the request to substitute a certified vendor or otherwise change the Utilization Plan. The request must state specific reasons for the substitution or change. The Agency will approve or deny a request for substitution or other change in the Utilization Plan within 5 business days of receipt of the request.

5) Where the Vendor has established the basis for the substitution to the Agency's satisfaction, it must make good faith efforts to meet the contract goal by substituting a certified vendor. Documentation of a replacement vendor, or of good faith efforts to replace the certified vendor, must meet the requirements of the initial Utilization Plan. If the goal cannot be reached and good faith efforts have been made, the Vendor may substitute with a non-certified vendor.

- 6) If a Vendor plans to hire a subcontractor for any scope of work that was not previously disclosed in the Utilization Plan, the Vendor must obtain the approval of the Agency to modify the Utilization Plan and must make good faith efforts to ensure that certified vendors have a fair opportunity to bid on the new scope of work.
- 7) A new subcontract must be executed and submitted to the Agency within 5 business days of the Vendor's receipt of the Agency's approval for the substitution or other change.
- 8) The Vendor shall maintain a record of all relevant data with respect to the utilization of certified vendors, including but without limitation, payroll records, invoices, canceled checks and books of account for a period of at least 5 years after the completion of the contract. Full access to these records shall be granted by the Vendor upon 48 hours written demand by the Agency to any duly authorized representative thereof, or to any municipal, state or federal authorities. The Agency shall have the right to obtain from the Vendor any additional data reasonably related or necessary to verify any representations by the Vendor. After the performance of the final item of work or delivery of material by a certified vendor and final payment to the certified vendor by the Vendor, but not later than 30 calendar days after such payment, the Vendor shall submit a statement confirming the final payment and the total payments made to the BEP vendor under the contract.
- 9) The Agency will periodically review the Vendor's compliance with these provisions and the terms of its contract. Without limitation, the Vendor's failure to comply with these provisions or its contractual commitments as contained in the Utilization Plan, failure to cooperate in providing information regarding its compliance with these provisions or its Utilization Plan, or provision of false or misleading information or statements concerning compliance, certification status or eligibility of certified vendors, good faith efforts or any other material fact or representation shall constitute a material breach of this contract and entitle the Agency to declare a default, terminate the contract, or exercise those remedies provided for in the contract or at law or in equity.
- 10) The Agency reserves the right to withhold payment to the Vendor to enforce these provisions and the Vendor's contractual commitments. Final payment shall not be made on the contract until the Vendor submits sufficient documentation demonstrating compliance with its Utilization Plan.

## UTILIZATION PLAN

**The Utilization Plan and Letter of Intent must be sealed separately within the offer container.**

\_\_\_\_\_ (the Vendor) submits the following Utilization Plan as part of our proposal in accordance with the requirements of the Minority, Female, Persons with Disability Status and Subcontracting section of the solicitation for \_\_\_\_\_. We understand that compliance with this section is an essential part of this contract and that the Utilization Plan will become a part of the contract, if awarded. We understand that we will not be given a period after the bid or proposal is submitted to cure deficiencies in the Utilization Plan and the Letter of intent, unless mandated by federal law or regulation (30 ILCS 575(4)(c)).

\_\_\_\_\_ (the Vendor) makes the following assurance and agrees to include the assurance in each subcontract with a subcontractor or supplier utilized on this contract: We shall not discriminate on the basis of race, color, national origin, sexual orientation or sex in the performance of this contract. Failure to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the Agency deems appropriate.

Vendor's person responsible for compliance:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone: ( ) \_\_\_\_\_ extension \_\_\_\_\_

Email: \_\_\_\_\_

We submit one (1) of the following statements:

- We are certified (or are eligible and have applied to be certified) with BEP and plan to fully meet the BEP utilization goal through self-performance.
- We attach Section I to demonstrate our Plan fully meets the BEP utilization goal of \_\_\_\_\_% through subcontracting.
- We attach Section I to detail that we do not fully meet the BEP utilization goal. We also attach Section II, Demonstration of Good Faith Efforts.

**Section I  
Utilization of Certified Vendors**

Please submit a separate Section I for each proposed certified vendor.

To achieve the BEP utilization goal through subcontracting, the following is proposed:

1) The proposed certified vendor's company name, address and phone number:

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At the time of submission, the above certified vendor is:

- Certified with the CMS Business Enterprise Program (BEP)
- Meets the criteria and has submitted an application for certification with BEP  
(BEP certification must be completed before contract award)
- Certified as a disadvantaged, minority, or woman business enterprise with the following governmental agency or private organization:  
(BEP certification must be completed before contract award)

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2) A detailed description of the commercially useful work to be done by this certified vendor is as follows:

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3) The total estimated cost to the state for this contract is \$\_\_\_\_\_. The portion of the contract which will be subcontracted to this certified vendor is \$\_\_\_\_\_, or \_\_\_\_\_% of the total cost of the contract.

4) A notarized signed letter of intent between \_\_\_\_\_ (the Vendor) and \_\_\_\_\_ (the certified vendor) detailing the work to be performed by the certified vendor and the agreed upon rates or prices, conforming to the Utilization Plan is included.

5) A joint venture agreement is not required, as the arrangement between \_\_\_\_\_ and \_\_\_\_\_ is that of contractor/sub-contractor and not a joint venture.

or,

A joint venture agreement between \_\_\_\_\_ and \_\_\_\_\_ is included in lieu of the letter of intent.

6) The Vendor has not prohibited or otherwise limited \_\_\_\_\_ (certified vendor) from providing subcontractor quotes to other potential bidders/vendors.

We understand that the Agency may require additional information to verify our compliance and we agree to cooperate immediately in submitting to interviews, allowing entry to any of our office locations, providing further documentation, or soliciting the cooperation of our proposed certified vendor. We will maintain appropriate records relating to our utilization of the certified vendor including: invoices, cancelled checks, books of account, and time records.

**Section II**

**Demonstration of Good Faith Efforts to Achieve BEP Subcontracting Goal**

If the BEP subcontracting goal was not achieved, the Good Faith Efforts checklist (Section II A) and contacts log (Section II B) must be submitted with the solicitation response (or as otherwise specified by CMS). **Failure to do so may render the Vendor's solicitation response non-responsive and cause it to be rejected, or render the Vendor ineligible for contract award, at CMS' sole discretion.** The Vendor will promptly provide evidence in support of its Good Faith Efforts to CMS upon request.

**Section II A**

**Good Faith Efforts Checklist**

Insert on each line below the initials of the authorized Vendor representative who is certifying on behalf of the Vendor that the Vendor has completed the activities described below. **If any of the items below were not completed, attach a detailed written explanation why each such item was not completed.** If any other efforts were made to obtain BEP participation in addition to the items listed below, attach a detailed written explanation.

\_\_\_\_\_ Identified portions of the project work capable of performance by available BEP vendors, including, where appropriate, breaking out contract work items into economically feasible units to facilitate BEP participation even when the Vendor could perform those scopes with its own forces.

\_\_\_\_\_ Solicited through reasonable and available means (e.g., written notices, advertisements) BEP vendors to perform the types of work that could be subcontracted on this project, within sufficient time to allow them to respond.

\_\_\_\_\_ Provided timely and adequate information about the plans, specifications and requirements of the contract. Followed up initial solicitations to answer questions and encourage BEP vendors to submit proposals or bids.

\_\_\_\_\_ Negotiated in good faith with interested BEP vendors that submitted proposals or bids and thoroughly investigated their capabilities.

\_\_\_\_\_ Made efforts to assist interested BEP vendors in obtaining bonding, lines of credit, or insurance as may be required for performance of the contract (if applicable).

\_\_\_\_\_ Utilized resources available to identify available certified vendors, including but not limited to BEP assistance staff; local, state and federal minority or women business assistance offices; and other organizations that provide assistance in the recruitment and placement of diverse businesses.

**Section II B**

**Good Faith Efforts Contacts Log for Soliciting  
BEP Sub-consultant, Subcontractor or Supplier Participation**

Use this form to document all contacts and responses (telephone, e-mail, fax, etc.) regarding the solicitation of BEP sub-consultants, subcontractors and suppliers. Duplicate as needed. (It is not necessary to show contacts with certified vendors with which the Vendor reached an agreement to participate on this project, as shown on Section I of this Plan.)

Name of certified vendor firm	Date and method of contact	Scope of work solicited	Reason agreement was not reached

**Letter of Intent (LOI)  
Between Prime Vendor and Certified Vendor**

**Instructions:** The responsive offeror is required to submit this signed and notarized Letter of Intent from each certified vendor identified on the Utilization Plan. LOIs must be submitted with the proposal and must be notarized by both parties. Submit a separate LOI for each proposed certified vendor. The amount and scope of work indicated on each LOI shall be the actual amount indicated on the Utilization Plan submitted with the proposal and approved by the Agency.

Changes to the Utilization Plan including substitution of certified vendors are permitted only after award of the contract and only with prior written approval of the Agency. A request for changes to the Utilization Plan must be submitted on the *Request for Change of Utilization Plan Form* for all levels of subcontracting. LOIs must be submitted for all additions of certified vendors to the Utilization Plan prior to the start of work.

Project Name \_\_\_\_\_ Project/Solicitation Number: \_\_\_\_\_

Name of Prime Vendor: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip Code

Telephone: ( ) \_\_\_\_\_ Fax: ( ) \_\_\_\_\_ Email: \_\_\_\_\_

Name of Certified Vendor: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City State Zip Code

Telephone: ( ) \_\_\_\_\_ Fax: ( ) \_\_\_\_\_ Email: \_\_\_\_\_

Type of agreement:  Services  Supplies  Both Services/Supplies

Type of payment:  Lump Sum \_\_\_\_\_  Hourly Rate \_\_\_\_\_  Unit Price \_\_\_\_\_

Period of Performance: \_\_\_\_\_ Proposed Subcontract Amount \$ \_\_\_\_\_ or Proposed % of Contract \_\_\_\_\_

Description of work to be performed by certified vendor:  
 \_\_\_\_\_  
 \_\_\_\_\_

List the governmental agency or private organization with whom the certified vendor is currently certified as a disadvantaged, minority, or woman business enterprise.  
 \_\_\_\_\_  
 \_\_\_\_\_

The prime vendor and the certified vendor above hereby agree that upon the execution of a contract for the above-named project between the prime vendor and the State of Illinois, the certified vendor will perform the scope of work for the price as indicated above.

**Prime Vendor** (Company Name and D/B/A):

**Certified Vendor** (Company Name and D/B/A):

\_\_\_\_\_

\_\_\_\_\_

Signature

Signature

Printed Name

Printed Name

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_ Date: \_\_\_\_\_

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Subscribed and sworn before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Notary Public

Notary Public

My Commission expires: \_\_\_\_\_

My Commission expires: \_\_\_\_\_



## Political Contributions

Public Act 95-971 addresses political contributions by Vendors, including affiliated persons and entities. The Act contains registration requirements and provides that all bids submitted to the State after January 1, 2009 contain a certificate of registration from the Illinois State Board of Elections or a certification that the bidding entity is not required to register. Further information about the registration requirements can be found on the Board of Elections website, [www.elections.il.gov](http://www.elections.il.gov). Failure to submit this information will result in disqualification.

By submission of an Offer, you acknowledge and certify that you have read, understand and will comply with Public Act 95-971, including but not limited to, all provisions relating to reporting and making contributions to state officeholders, declared candidates for State offices and covered political organizations that promote the candidacy of an officeholder or declared candidate for office. Vendor acknowledges that the State may declare any resultant contract void if this certification is false or if the Act is violated.

In compliance with Public Act 95-971 check the following certification that applies to you:

Vendor is not required to register as a business entity with the State Board of Elections.

or

Vendor has registered **and has attached a copy** of the official certificate of registration as issued by the State Board of Elections. As a registered business entity, Vendor acknowledges a continuing duty to update the registration as required by the Act.

**TAXPAYER IDENTIFICATION NUMBER**

I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).
  - *If you are an individual, enter your name and SSN as it appears on your Social Security Card.*
  - *If you are a sole proprietor, enter the owner's name on the name line followed by the name of the business and the owner's SSN or EIN.*
  - *If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's name on the name line and the d/b/a on the business name line and enter the owner's SSN or EIN.*
  - *If the LLC is a corporation or partnership, enter the entity's business name and EIN and for corporations, attach IRS acceptance letter (CP261 or CP277).*
  - *For all other entities, enter the name of the entity as used to apply for the entity's EIN and the EIN.*

**Name:** \_\_\_\_\_

**Business Name:** \_\_\_\_\_

**Taxpayer Identification Number:**

Social Security Number \_\_\_\_\_  
or  
Employer Identification Number \_\_\_\_\_

**Legal Status** (check one):

- |                                                                                                      |                                                                                           |
|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Individual                                                                  | <input type="checkbox"/> Governmental                                                     |
| <input type="checkbox"/> Sole Proprietor                                                             | <input type="checkbox"/> Nonresident alien                                                |
| <input type="checkbox"/> Partnership                                                                 | <input type="checkbox"/> Estate or trust                                                  |
| <input type="checkbox"/> Legal Services Corporation                                                  | <input type="checkbox"/> Pharmacy (Non-Corp.)                                             |
| <input type="checkbox"/> Tax-exempt                                                                  | <input type="checkbox"/> Pharmacy/Funeral Home/Cemetery (Corp.)                           |
| <input type="checkbox"/> Corporation providing or billing<br>medical and/or health care services     | <input type="checkbox"/> Limited Liability Company (select applicable tax classification) |
| <input type="checkbox"/> Corporation NOT providing or billing<br>medical and/or health care services | <input type="checkbox"/> D = disregarded entity                                           |
|                                                                                                      | <input type="checkbox"/> C = corporation                                                  |
|                                                                                                      | <input type="checkbox"/> P = partnership                                                  |

**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**SECTION 6 - RESPONSIVENESS**

For this solicitation, you will need to respond to each of the points identified in Section 3 of the Solicitation. You must follow any format shown or referenced below. If none, you may respond freeform provided you address all the points, numbering each point as found in Section 3 and addressing them in the order they appear.

**SECTION 7 – PRICE**

**7.0 PRICE SUBMISSION:** The Price Proposal must be submitted in a separate, sealed envelope or container in the Offer container. The Offeror will provide its Price Proposal in accordance with the specifications provided below for the services specified in this document. The Offeror must complete the pricing tables as described below.

**7.0.1 Table 1 (Attachment #12)**

**7.0.1.1** Table 1 (Attachment #12) must include the Offeror’s firm fixed price for the initial set up and delivery of all services, application software components, and functionality, including all hosting costs for the various required environments required in the RFP. This price is to be shown by technical environment and business functional area in the “Initial Setup” column. Post implementation, operations, maintenance and support costs are to be included from go-live through contract end for each component and functional area as a monthly cost shown by calendar year. The spreadsheet will calculate the annual costs. The optional renewal monthly prices for years four, five and six are to be included in the Pricing Proposal. Table 1 will be scored, with a maximum of 200 points awarded to the Offeror with the lowest price. The Grand Total shown in the Contract Total column will be used for scoring purposes. Refer to Section 2.3.4 for the pricing formula.

**7.0.2 Table 2 (Attachment #12)**

**7.0.2.1** Table 2 must include the Offeror’s firm fixed hourly rate for providing resources to the State for potential task order work. These rates will be fixed for the duration of the contract and any optional renewals. The Offeror must provide the hourly rate and the spreadsheet will multiply the hourly rate by the number of hours indicated to arrive at a total price for each position classification. (Refer to the descriptions in Attachment #13 for additional details on the position classifications.) Table 2 is a sample task order for evaluation purposes only, and does not constitute a guarantee of future task order work to be requested. The task order process is described in Section 3.2.9.1 Table 2 will be scored, with a maximum of 50 points awarded to the Offeror with the lowest price. Refer to Section 2.3.4 for the pricing formula.

**7.0.2.2** The completed Tables 1 and 2 will constitute the Offeror’s official Price Proposal and will be scored as described in Section 2.3.4. The Offeror must include one hard copy of Tables 1 and 2 in a separate, sealed envelope or container, along with one copy in electronic form on a CD labeled as the Price Proposal. Tables 1 and 2 must be stapled together with a cover page identifying the Offeror’s name and labeled as the Price Proposal.

**7.1 METHOD AND RATE OF COMPENSATION:** Identify the method of charging (hourly, daily, project, item, or other method) and provide the rate or price for each type of supply or service. Pricing shall be in accordance with the unit of measure specified and only one unit price shall be quoted per item unless specifically provided below. All extensions and totals requested shall be shown. Prices quoted must be net after deducting all trade or quantity discounts and any other available allowances. Prices must be F.O.B. DESTINATION with all transportation and handling included and paid by the Vendor.

- Hourly \_\_\_\_\_
- Monthly \_\_\_\_\_
- Annually \_\_\_\_\_
- Project \_\_\_\_\_
- Item (show unit of measure and rate) \_\_\_\_\_

**7.2 MAXIMUM COMPENSATION FOR SUPPLIES AND SERVICES:** Show price in checked category only:

- Firm Price \_\_\_\_\_
- Estimated Price \_\_\_\_\_

**7.3 EXPENSES:** Unless otherwise specified, this contract does not allow for reimbursement of any expense incurred by Vendor, including but not limited to telephone or other communications device, postage, copying, travel, transportation, lodging, food and per diem.

**7.4 PAYMENT TERMS AND CONDITIONS (including when paid, frequency and retainage):** Payment will be made after completion of the Contract unless otherwise specified below.

**7.5 DISCOUNTS:** \_\_\_\_% discount for payment within \_\_\_\_ days of delivery. This discount will not be a factor in making the award.

**7.6 TAX EXEMPTIONS:** State and Federal tax exemption information is available upon request.

**7.7 SUBCONTRACTORS:** Will you be using any subcontractors?  Yes  No

If yes, you must identify below the names and addresses of all subcontractors you will be entering into a contractual agreement with a total value of \$25,000 or more in the performance of this Contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money to the extent the information is known that each subcontractor is expected to receive pursuant to the Contract. For purposes of this section, subcontractors are those specifically hired to provide to the Vendor some or all of the goods, services, property, remuneration, or other forms of consideration that are the subject of this Contract, including sub-lessees from a lessee of a State agency. A copy of each subcontract

issued pursuant to the Contract shall be provided to the State Purchasing Officer or Chief Procurement Officer within 20 days after the execution of the Contract or after execution of the subcontract, whichever is later. If at any time during the term of the Contract, Vendor adds or changes any subcontractors, Vendor will be required to promptly notify, by written amendment to the Contract, the State Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to the Contract. Any subcontracts entered into prior to award of the Contract are done at the Vendor's and subcontractor's risk.

Subcontractor Name \_\_\_\_\_ Amount to be paid \_\_\_\_\_  
Address \_\_\_\_\_ Description of work \_\_\_\_\_

Subcontractor Name \_\_\_\_\_ Amount to be paid \_\_\_\_\_  
Address \_\_\_\_\_ Description of work \_\_\_\_\_

All subcontracts must include **the Subcontractor Standard Certifications** and **the Disclosures and Conflicts of Interest**, completed and signed by the subcontractor.

**7.8 WORK LOCATION DISCLOSURE:** Vendor shall disclose the location where the services required shall be performed. If at multiple locations, the known or anticipated value of the services performed at each location shall be identified. This information and economic impact on Illinois and its residents may be considered in the evaluation. If the selected Vendor receives additional consideration in the evaluation based on work being performed in the United States, the resulting contract shall contain a provision that any shift in such work outside the United States may be considered a breach of contract.

Location where services will be performed \_\_\_\_\_  
Value of services performed at this location \_\_\_\_\_

Location where services will be performed \_\_\_\_\_  
Value of services performed at this location \_\_\_\_\_

**SECTION 8 - CONTRACT**

We expect to contract based on the terms and conditions as set forth in the attached State of Illinois Contract. If you are unable to accept one or more parts of the Contract, identify any exception that you want us to consider. You may show these changes on the Contract form itself by striking over language you find problematic, and underlining alternate language or by listing the sections and showing the alternate language on a separate page. You must provide these exceptions requests and alternate language with your Offer. Please note that most contract provisions are required by law or important policy and we have very limited ability to consider and accept changes you might propose. Any proposed changes may be considered in the evaluation.

# CONTRACT

The Parties to this contract are the State of Illinois acting through the undersigned Agency (collectively the State) and the Vendor. This contract, consisting of the signature page and numbered sections listed below and any attachments referenced in this contract constitutes the entire contract between the Parties concerning the subject matter of the contract and supersedes all prior proposals, contracts and understandings between the Parties concerning the subject matter of the contract. This contract can be signed in multiple counterparts and signature may be electronic or digital upon agreement of the Parties.

1. TERM AND TERMINATION
2. DESCRIPTION OF SUPPLIES AND SERVICES
3. PRICING
4. STANDARD BUSINESS TERMS AND CONDITIONS
5. STANDARD CERTIFICATIONS
6. DISCLOSURES AND CONFLICTS OF INTEREST
7. SUPPLEMENTAL PROVISIONS

In consideration of the mutual covenants and agreements contained in this contract, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the terms and conditions set forth herein and have caused this contract to be executed by their duly authorized representatives on the dates shown below.

## VENDOR

(Vendor Name) \_\_\_\_\_

Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail \_\_\_\_\_

## STATE OF ILLINOIS

(Procuring Agency Name) \_\_\_\_\_

Official Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

Designee Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_

Address \_\_\_\_\_

\_\_\_\_\_

Phone \_\_\_\_\_ Fax \_\_\_\_\_

E-mail \_\_\_\_\_

## CHIEF PROCUREMENT OFFICER

Official Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

Address \_\_\_\_\_

Designee Signature \_\_\_\_\_

Printed Name \_\_\_\_\_

Title \_\_\_\_\_ Date \_\_\_\_\_

### STATE USE ONLY

### NOT PART OF CONTRACTUAL PROVISIONS

PBC# \_\_\_\_\_ Project Title \_\_\_\_\_

Contract # \_\_\_\_\_ Procurement Method (IFB, RFP, Small, etc): \_\_\_\_\_

IPB Ref. # \_\_\_\_\_ IPB Publication Date: \_\_\_\_\_ Award Code: \_\_\_\_\_

Subcontractor Utilization?  Yes  No Subcontractor Disclosure?  Yes  No

Funding Source \_\_\_\_\_ Obligation # \_\_\_\_\_

CPO 33 – General Counsel Approval: \_\_\_\_\_

Signature \_\_\_\_\_ Printed Name \_\_\_\_\_ Date \_\_\_\_\_



## **1. TERM AND TERMINATION**

**1.1 TERM OF THIS CONTRACT:** This contract has an initial term of *(show beginning and end date or length in months or other measure of time)*. If a start date is not identified, the term shall commence upon the last dated signature of the Parties.

In no event will the total term of the contract, including the initial term, any renewal terms and any extensions, exceed 10 years.

Vendor shall not commence billable work in furtherance of the contract prior to final execution of the contract.

**1.2 RENEWAL:** Subject to the maximum total term as identified above, the State has the option to renew for the following term(s): *(If the solicitation did not provide for renewal options, the contract may not include any renewal options.)*

Pricing for the renewal term(s), or the formula for determining price is shown in the pricing section of this contract.

Any renewal is subject to the same terms and conditions as the original contract except as stated below in this subsection. The State may renew this contract for any or all of the option periods specified and may exercise any of the renewal options early and may exercise more than one option at a time based on continuing need and favorable market conditions, when in the best interest of the State. The contract may not renew automatically nor may the contract renew solely at the Vendor's option.

**1.3 TERMINATION FOR CAUSE:** The State may terminate this contract, in whole or in part, immediately upon notice to the Vendor if: (a) the State determines that the actions or inactions of the Vendor, its agents, employees or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property, or (b) the Vendor has notified the State that it is unable or unwilling to perform the contract.

If Vendor fails to perform to the State's satisfaction any material requirement of this contract, is in violation of a material provision of this contract, or the State determines that the Vendor lacks the financial resources to perform the contract, the State shall provide written notice to the Vendor to cure the problem identified within the period of time specified in the State's written notice. If not cured by that date the State may either: (a) immediately terminate the contract without additional written notice or (b) enforce the terms and conditions of the contract.

For termination due to any of the causes contained in this Section, the State retains its rights to seek any available legal or equitable remedies and damages.

**1.4 TERMINATION FOR CONVENIENCE:** The State may, for its convenience and with 30 days prior written notice to Vendor, terminate this contract in whole or in part and without payment of any penalty or incurring any further obligation to the Vendor. The Vendor shall be entitled to compensation upon submission of invoices and proof of claim for supplies and services provided in compliance with this contract up to and including the date of termination.

**2. DESCRIPTION OF SUPPLIES AND SERVICES**

**2.1 GOAL:** To utilize the knowledge and expertise of the Vendor, that is lacking in the Procuring Agency's staff, to obtain supplies and services necessary to help meet the statutory responsibilities of the Procuring Agency.

**2.2 SUPPLIES AND/OR SERVICES REQUIRED:**

**2.3 MILESTONES AND DELIVERABLES:** Vendor shall not perform services, provide supplies or incur expenses in amount exceeding the amount shown in this Section, unless the State has authorized a higher amount in writing prior to the Vendor performing the services, providing the supplies, or incurring the expenses.

Not-to-exceed \$ \_\_\_\_\_

**2.4 VENDOR / STAFF SPECIFICATIONS:**

**2.5 ASSIGNMENT AND SUBCONTRACTING:**

2.5.1 This contract may not be assigned, transferred in whole or in part by the Vendor without the prior written consent of the State.

2.5.2 For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the contract.

Will subcontractors be utilized?  Yes  No

2.5.3 Vendor shall describe below the names and addresses of all authorized subcontractors to be utilized by Vendor in the performance of this contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to this contract. Vendor shall provide a copy of any subcontracts within 20 days of execution of this contract.

Subcontractor Name \_\_\_\_\_ Amount to be paid \_\_\_\_\_  
Address \_\_\_\_\_ Description of work \_\_\_\_\_

Subcontractor Name \_\_\_\_\_ Amount to be paid \_\_\_\_\_  
Address \_\_\_\_\_ Description of work \_\_\_\_\_

2.5.4 The Vendor shall notify the State of any additional or substitute subcontractors hired during the term of this contract. Vendor shall provide to the State a copy of all such subcontracts within 20 days of execution of the subcontract.

2.5.5 All subcontracts must include the same certifications that Vendor must make as a condition of this contract. Vendor shall include in each subcontract the subcontractor certifications as shown on the Standard Subcontractor Certification form available from the State.

**2.6 TRANSPORTATION AND DELIVERY:**

**2.7 WHERE SERVICES ARE TO BE PERFORMED:** Unless otherwise specified in this section all services shall be performed in the United States. If the Vendor manufactures the supplies or performs the services purchased hereunder in another country in violation of this provision, such action may be deemed by the State as a breach of the contract by Vendor. Vendor shall disclose the locations where the services required shall be performed and the known or anticipated value of the services to be performed at each location. If the Vendor received additional consideration in the evaluation based on work being performed in the United States, it shall be a breach of contract if the Vendor shifts any such work outside the United States.

Location where services will be performed \_\_\_\_\_  
Value of services performed at this location \_\_\_\_\_

Location where services will be performed \_\_\_\_\_  
Value of services performed at this location \_\_\_\_\_

**2.8 SCHEDULE OF WORK:** Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.

**2.9 WARRANTIES FOR SUPPLIES AND SERVICES:**

2.9.1 Vendor warrants that the supplies furnished under this contract will: (a) conform to the standards, specifications, drawing, samples or descriptions furnished by the State or furnished by the Vendor and agreed to by the State, including but not limited to all specifications attached as exhibits hereto; (b) be merchantable, of good quality and workmanship, and free from defects for a period of twelve months or longer if so specified in writing, and fit and sufficient for the intended use; (c) comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies; (d) be of good title and be free and clear of all liens and encumbrances and; (e)

not infringe any patent, copyright or other intellectual property rights of any third party. Vendor agrees to reimburse the State for any losses, costs, damages or expenses, including without limitations, reasonable attorney's fees and expenses, arising from failure of the supplies to meet such warranties.

2.9.2 Vendor shall insure that all manufacturers' warranties are transferred to the State and shall provide a copy of the warranty. These warranties shall be in addition to all other warranties, express, implied or statutory, and shall survive the State's payment, acceptance, inspection or failure to inspect the supplies.

2.9.3 Vendor warrants that all services will be performed to meet the requirements of the contract in an efficient and effective manner by trained and competent personnel. Vendor shall monitor performances of each individual and shall reassign immediately any individual who is not performing in accordance with the contract, who is disruptive or not respectful of others in the workplace, or who in any way violates the contract or State policies.

## **2.10 REPORTING, STATUS AND MONITORING SPECIFICATIONS:**

2.10.1 Vendor shall immediately notify the State of any event that may have a material impact on Vendor's ability to perform the contract.

2.10.2 By August 31 of each year, Vendor shall report the number of qualified veterans and certain ex-offenders hired during Vendor's last completed fiscal year. Vendor may be entitled to employment tax credit for hiring individuals in those groups (35 ILCS 5/216, 5/217).

**3. PRICING**

**3.1 METHOD AND RATE OF COMPENSATION:** The State will compensate Vendor for the initial term as follows:

- Hourly \_\_\_\_\_
- Monthly \_\_\_\_\_
- Annually \_\_\_\_\_
- Project \_\_\_\_\_
- Item (show unit of measure and rate) \_\_\_\_\_

**3.2 TYPE OF PRICING:** Pricing under this contract is

- Firm \_\_\_\_\_
- Estimated \_\_\_\_\_

**3.3 RENEWAL COMPENSATION:** If this contract is renewed, the price shall be at the same rate as for the initial term unless a different compensation or formula for determining the renewal compensation is stated in this section.

**3.4 EXPENSES:** Any expenses that Vendor may charge are shown in this section. The State will not compensate Vendor for expenses related to travel, lodging or meal.

**3.5 DISCOUNT:** \_\_\_\_\_% discount for payment within \_\_\_\_\_ days of receipt of invoice

**3.6 TAX:** Vendor shall not bill for any taxes unless accompanied by proof the State is subject to the tax. If necessary, Vendor may request the applicable agency's Illinois tax exemption number and federal tax exemption information.

**3.7 INVOICING:** Vendor shall invoice at the completion of the contract unless invoicing is tied in this contract to milestones, deliverables, or other invoicing requirements agreed to in this contract.

Send invoices to \_\_\_\_\_.

**3.8 PAYMENT TERMS AND CONDITIONS:**

3.8.1 By submitting an invoice, Vendor certifies that the supplies or services provided meet all requirements of the contract, and the amount billed and expenses incurred are as allowed in the contract. Invoices for supplies purchased, services performed and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise Vendor may have to seek payment through the Illinois Court of Claims (30 ILCS 105/25). All invoices are subject to statutory offset (30 ILCS 210).

3.8.2 Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act (30 ILCS 540) and rules (74 Ill. Adm. Code 900) when applicable. This shall be Vendor's sole remedy for late payments by the State. Payment terms contained on Vendor's invoices shall have no force and effect.

3.8.3 The State will not pay for supplies provided or services rendered, including related expenses, incurred prior to the execution of this contract by the Parties even if the effective date of the contract is prior to execution.

3.8.4 As a condition of receiving payment Vendor must (i) be in compliance with the contract, (ii) pay its employees prevailing wages when required by law (Examples of prevailing wage categories include public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services. Vendor is responsible for contacting the Illinois Dept. of Labor 217-782-6206; <http://www.state.il.us/agency/idol/index.htm> to ensure understanding of prevailing wage requirements), (iii) pay its suppliers and subcontractors according to the terms of their respective contracts, and (iv) provide lien waivers to the State upon request.

#### **4. STANDARD BUSINESS TERMS AND CONDITIONS**

**4.1 AVAILABILITY OF APPROPRIATION (30 ILCS 500/20-60):** This contract is contingent upon and subject to the availability of funds. The State, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason, (2) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly; or (3) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Contractor will be notified in writing of the failure of appropriation or of a reduction or decrease.

**4.2 AUDIT/RETENTION OF RECORDS (30 ILCS 500/20-65):** Vendor and its subcontractors shall maintain books and records relating to the performance of the contract or subcontract and necessary to support amounts charged to the State under the contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by the Vendor for a period of three years from the later of the date of final payment under the contract or completion of the contract, and by the subcontractor for a period of three years from the later of final payment under the term or completion of the subcontract. If federal funds are used to pay contract costs, the Vendor and its subcontractors must retain its records for five years. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the procuring Agency, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Vendor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the contract for which adequate books and records are not available to support the purported disbursement. The Vendor or subcontractors shall not impose a charge for audit or examination of the Vendor's books and records.

**4.3 TIME IS OF THE ESSENCE:** Time is of the essence with respect to Vendor's performance of this contract. Vendor shall continue to perform its obligations while any dispute concerning the contract is being resolved unless otherwise directed by the State.

**4.4 NO WAIVER OF RIGHTS:** Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.

**4.5 FORCE MAJEURE:** Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the contract without penalty if performance does not resume within 30 days of the declaration.

**4.6 CONFIDENTIAL INFORMATION:** Each Party, including its agents and subcontractors, to this contract may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this contract. Vendor shall presume all information received from the State or to which it gains access pursuant to this contract is confidential. Vendor information, unless clearly marked as confidential and exempt from disclosure under the Illinois Freedom of Information Act, shall be considered public. No confidential data collected, maintained, or used in the course of performance of the contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the period of the contract or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the contract, in whatever form it is maintained, promptly at the end of the contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third-party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.

**4.7 USE AND OWNERSHIP:** All work performed or supplies created by Vendor under this contract, whether written documents or data, goods or deliverables of any kind, shall be deemed work-for-hire under copyright law and all intellectual property and other laws, and the State of Illinois is granted sole and exclusive ownership to all such work, unless otherwise agreed in writing. Vendor hereby assigns to the State all right, title, and interest in and to such work including any related intellectual property rights, and/or waives any and all claims that Vendor may have to such work including any so-called "moral rights" in connection with the work. Vendor acknowledges the State may use the work product for any purpose. Confidential data or information contained in such work shall be subject to confidentiality provisions of this contract.

**4.8 INDEMNIFICATION AND LIABILITY:** The Vendor shall indemnify and hold harmless the State of Illinois, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of: (a) any breach or violation by Vendor of any of its certifications, representations, warranties, covenants or agreements; (b) any actual or alleged death or injury to any person, damage to any property or any other damage or loss claimed to result in whole or in part from Vendor's negligent performance; or (c) any act, activity or omission of Vendor or any of its employees, representatives, subcontractors or agents. Neither Party shall be liable for incidental, special, consequential or punitive damages.

**4.9 INSURANCE:** Vendor shall, at all times during the term and any renewals, maintain and provide a Certificate of Insurance naming the State as additional insured for all required bonds and insurance. Certificates may not be modified or canceled until at least 30 days notice has been provided to the State. Vendor shall provide: (a) General Commercial Liability-occurrence form in amount of \$1,000,000 per occurrence (Combined

Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (b) Auto Liability, including Hired Auto and Non-owned Auto, (Combined Single Limit Bodily Injury and Property Damage) in amount of \$1,000,000 per occurrence; and (c) Worker's Compensation Insurance in amount required by law. Insurance shall not limit Vendor's obligation to indemnify, defend, or settle any claims.

**4.10 INDEPENDENT CONTRACTOR:** Vendor shall act as an independent contractor and not an agent or employee of, or joint venturer with the State. All payments by the State shall be made on that basis.

**4.11 SOLICITATION AND EMPLOYMENT:** Vendor shall not employ any person employed by the State during the term of this contract to perform any work under this contract. Vendor shall give notice immediately to the Agency's director if Vendor solicits or intends to solicit State employees to perform any work under this contract.

**4.12 COMPLIANCE WITH THE LAW:** The Vendor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this contract. Vendor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Vendor shall obtain at its own expense, all licenses and permissions necessary for the performance of this contract.

**4.13 BACKGROUND CHECK:** Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of Vendor's and subcontractors officers, employees or agents. Vendor or subcontractor shall reassign immediately any such individual who, in the opinion of the State, does not pass the background checks.

**4.14 APPLICABLE LAW:** This contract shall be construed in accordance with and is subject to the laws and rules of the State of Illinois. The Department of Human Rights' Equal Opportunity requirements (44 Ill. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this contract must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any contract dispute. The State of Illinois does not waive sovereign immunity by entering into this contract. The official text of cited statutes is incorporated by reference (An unofficial version can be viewed at <http://www.ilga.gov/legislation/ilcs/ilcs.asp>). In compliance with the Illinois and federal Constitutions, the Illinois Human Rights Act, the U. S. Civil Rights Act, and Section 504 of the federal Rehabilitation Act and other applicable laws and rules the State does not unlawfully discriminate in employment, contracts, or any other activity.

**4.15 ANTI-TRUST ASSIGNMENT:** If Vendor does not pursue any claim or cause of action it has arising under federal or state antitrust laws relating to the subject matter of the contract, then upon request of the Illinois Attorney General, Vendor shall assign to the State rights, title and interest in and to the claim or cause of action.

**4.16 CONTRACTUAL AUTHORITY:** The Agency that signs for the State of Illinois shall be the only State entity responsible for performance and payment under the contract. When the Chief Procurement Officer or authorized designee signs in addition to an Agency, they do so as approving officer and shall have no liability to Vendor. When the Chief Procurement officer or authorized designee signs a master contract on behalf of State agencies, only the Agency that places an order with the Vendor shall have any liability to Vendor for that order.

**4.17 NOTICES:** Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the individuals who signed the contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.

**4.18 MODIFICATIONS AND SURVIVAL:** Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and the Vendor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.

**4.19 PERFORMANCE RECORD / SUSPENSION:** Upon request of the State, Vendor shall meet to discuss performance or provide contract performance updates to help ensure proper performance of the contract. The State may consider Vendor's performance under this contract and compliance with law and rule to determine whether to continue the contract, suspend Vendor from doing future business with the State for a specified period of time, or to determine whether Vendor can be considered responsible on specific future contract opportunities.

**4.20 FREEDOM OF INFORMATION ACT:** This contract and all related public records maintained by, provided to or required to be provided to the State are subject to the Illinois Freedom of Information Act notwithstanding any provision to the contrary that may be found in this contract.

## **5. STANDARD CERTIFICATIONS**

Vendor acknowledges and agrees that compliance with this section and each subsection for the term of the contract and any renewals is a material requirement and condition of this contract. By executing this contract Vendor certifies compliance with this section and each subsection and is under a continuing obligation to remain in compliance and report any non-compliance.

This section, and each subsection, applies to subcontractors used on this contract. Vendor shall include these Standard Certifications in any subcontract used in the performance of the contract using the Standard Subcontractor Certification form provided by the State.

If this contract extends over multiple fiscal years including the initial term and all renewals, Vendor and its subcontractors shall confirm compliance with this section in the manner and format determined by the State by the date specified by the State and in no event later than July 1 of each year that this contract remains in effect.

If the Parties determine that any certification in this section is not applicable to this contract it may be stricken without affecting the remaining subsections.

**5.1** As part of each certification, Vendor acknowledges and agrees that should Vendor or its subcontractors provide false information, or fail to be or remain in compliance with the Standard Certification requirements, one or more of the following sanctions will apply:

- the contract may be void by operation of law,
- the State may void the contract, and
- the Vendor and its subcontractors may be subject to one or more of the following: suspension, debarment, denial of payment, civil fine, or criminal penalty.

Identifying a sanction or failing to identify a sanction in relation to any of the specific certifications does not waive imposition of other sanctions or preclude application of sanctions not specifically identified.

**5.2** Vendor certifies it and its employees will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and applicable rules in performance under this contract.

**5.3** Vendor certifies it is not in default on an educational loan (5 ILCS 385/3). This applies to individuals, sole proprietorships, partnerships and individuals as members of LLCs.

**5.4** Vendor (if an individual, sole proprietor, partner or an individual as member of a LLC) certifies it has not received an (i) an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, or (ii) an early retirement incentive on or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133, (30 ILCS 105/15a).

**5.5** Vendor certifies it is a properly formed and existing legal entity (30 ILCS 500/1.15.80, 20-43); and as applicable has obtained an assumed name certificate from the appropriate authority, or has registered to conduct business in Illinois and is in good standing with the Illinois Secretary of State.

**5.6** To the extent there was a incumbent Vendor providing the services covered by this contract and the employees of that Vendor that provide those services are covered by a collective bargaining agreement, Vendor certifies (i) that it will offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its bid or offer; and (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit performing substantially similar work that will be performed under this contract (30 ILCS 500/25-80). This does not apply to heating, air conditioning, plumbing and electrical service contracts.

**5.7** Vendor certifies it has not been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor has Vendor made an admission of guilt of such conduct that is a matter of record (30 ILCS 500/50-5).

**5.8** If Vendor has been convicted of a felony, Vendor certifies at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business (30 ILCS 500/50-10).

**5.9** If Vendor, or any officer, director, partner, or other managerial agent of Vendor, has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, Vendor certifies at least five years have passed since the date of the conviction. Vendor further certifies that it is not barred from being awarded a contract and acknowledges that the State shall declare the contract void if this certification is false (30 ILCS 500/50-10.5).

**5.10** Vendor certifies it is not barred from having a contract with the State based on violating the prohibition on providing assistance to the state in identifying a need for a contract (except as part of a public request for information process) or by reviewing, drafting or preparing solicitation or similar documents for the State (30 ILCS 500/50-10.5e).

- 5.11** Vendor certifies that it and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Vendor and its affiliates acknowledge the State may declare the contract void if this certification is false (30 ILCS 500/50-11) or if Vendor or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt (30 ILCS 500/50-60).
- 5.12** Vendor certifies that it and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act (30 ILCS 500/50-12) and acknowledges that failure to comply can result in the contract being declared void.
- 5.13** Vendor certifies that it has not been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last five years, and is therefore not barred from being awarded a contract (30 ILCS 500/50-14).
- 5.14** Vendor certifies it has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has Vendor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).
- 5.15** Vendor certifies it is not in violation of the "Revolving Door" section of the Illinois Procurement Code (30 ILCS 500/50-30).
- 5.16** Vendor certifies that it has not retained a person or entity to attempt to influence the outcome of a procurement decision for compensation contingent in whole or in part upon the decision or procurement (30 ILCS 500/50-38).
- 5.17** Vendor certifies it will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, 50-45, 50-50).
- 5.18** In accordance with the Steel Products Procurement Act, Vendor certifies steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the executive head of the procuring agency grants an exception (30 ILCS 565).
- 5.19** a) If Vendor employs 25 or more employees and this contract is worth more than \$5000, Vendor certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act.  
b) If Vendor is an individual and this contract is worth more than \$5000, Vendor shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance during the performance of the contract (30 ILCS 580).
- 5.20** Vendor certifies that neither Vendor nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This applies to contracts that exceed \$10,000 (30 ILCS 582).
- 5.21** Vendor certifies it has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States (720 ILCS 5/33 E-3, E-4).
- 5.22** Vendor certifies it complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).
- 5.23** Vendor certifies it does not pay dues to or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club" (775 ILCS 25/2).
- 5.24** Vendor certifies it complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor, or indentured labor under penal sanction (30 ILCS 583).
- 5.25** Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor or any child under the age of 12 (30 ILCS 584).
- 5.26** Vendor certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code (30 ILCS 500/50-14.5) that states: "Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act (410 ILCS 45) are prohibited from doing business with the State until the violation is mitigated".
- 5.27** Vendor warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits Vendors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.



**5.28** Vendor certifies that information technology, including electronic information, software, systems and equipment, developed or provided under this contract will comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as published at [www.dhs.state.il.us/iitaa](http://www.dhs.state.il.us/iitaa). (30 ILCS 587)

**5.29** Vendor certifies that it has read, understands, and is in compliance with the registration requirements of the Elections Code (10 ILCS 5/9-35) and the restrictions on making political contributions and related requirements of the Illinois Procurement Code (30 ILCS 500/20-160 and 50-37). Vendor will not make a political contribution that will violate these requirements. These requirements are effective for the duration of the term of office of the incumbent Governor or for a period of 2 years after the end of the contract term, whichever is longer.

In accordance with section 20-160 of the Illinois Procurement Code, Vendor certifies as applicable:

Vendor is not required to register as a business entity with the State Board of Elections.

or

Vendor has registered **and has attached a copy** of the official certificate of registration as issued by the State Board of Elections. As a registered business entity, Vendor acknowledges a continuing duty to update the registration as required by the Act.

## 6.0 DISCLOSURES AND CONFLICTS OF INTEREST

**Instructions:** Vendor shall disclose financial interests, potential conflicts of interest and contract information identified in Sections 1, 2 and 3 below as a condition of receiving an award or contract (30 ILCS 500/50-13 and 50-35). Failure to fully disclose shall render the contract, bid, proposal, subcontract, or relationship voidable by the chief procurement officer if s/he deems it in the best interest of the State of Illinois and may be cause for barring from future contracts, bids, proposals, subcontracts, or relationships with the State.

- There are five sections to this form and each must be completed to meet full disclosure requirements.
- Note: The requested disclosures are a continuing obligation and must be promptly supplemented for accuracy throughout the process and throughout the term of the resultant contract if the bid/offer is awarded. As required by 30 ILCS 500/50-2, for multi-year contracts Vendors must submit these disclosures on an annual basis.

A publicly traded entity may submit its 10K disclosure in satisfaction of the disclosure requirements set forth in Section 1 below. HOWEVER, if a Vendor submits a 10K, they still must complete Sections 2, 3, 4, 5 and 6 and submit the disclosure form.

If the Vendor is a wholly owned subsidiary of a parent organization, separate disclosures must be made by the Vendor and the parent. For purposes of this form, a parent organization is any entity that owns 100% of the Vendor.

This disclosure information is submitted on behalf of (show official name of Vendor, and if applicable, D/B/A and parent):

Name of Vendor: \_\_\_\_\_

D/B/A (if used): \_\_\_\_\_

Name of any Parent Organization: \_\_\_\_\_

### Section 1: Section 50-35 Disclosure of Financial Interest in the Vendor. (All Vendors must complete this section)

Vendors must complete subsection (a), (b) or (c) below. Please read the following subsections and complete the information requested.

- a. If Vendor is a Publicly traded corporation subject to SEC reporting requirements
- i. Vendor shall submit their 10K disclosure (include proxy if referenced in 10k) in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 (a) and (b) of the Procurement Code. The SEC 20f or 40f, supplemented with the names of those owning in excess of 5% and up to the ownership percentages disclosed in those submissions, may be accepted as being substantially equivalent to 10K.

Check here if submitting a 10k , 20f , or 40f .

**OR**

- b. If Vendor is a privately held corporation with more than 400 shareholders
- i. These Vendors may submit the information identified in 17 CFR 229.401 and list the names of any person or entity holding any ownership share in excess of 5% in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 a and b of the Illinois Procurement Code.

**OR**

- c. If Vendor is an individual, sole proprietorship, partnership or any other not qualified to use subsections (A) or (B), complete (i) and (ii) below as appropriate.
- i. For **each individual** having any of the following financial interests in the Vendor (or its parent), please mark each that apply and show the applicable name and address. Use a separate form for each individual.

1. Do you have an ownership share of greater than 5% of the offering entity or parent entity?  
 Yes  No

2. Do you have an ownership share of less than 5%, but which has a value greater than \$106,447.20?  
 Yes  No

3. Do you receive more than \$106,447.20 of the offering entity's or parent entity's distributive income? (Note: Distributive income is, for these purposes, any type of distribution of profits. An annual salary is not distributive income.)  
 Yes  No
4. Do you receive greater than 5% of the offering entity's or parent entity's total distributive income, but which is less than \$106,447.20?  
 Yes  No
5. If you responded yes to any of questions 1 – 4 above, please provide either the percentage or dollar amount of your ownership or distributive share of income: \_\_\_\_\_. For partnerships with more than 50 partners, the percentage share of ownership of each individual identified above may be shown in the following ranges (dollar value fields must also be completed when applicable):  
 0.5% or less \_\_\_\_\_ >0.5 to 1.0% \_\_\_\_\_ >1.0 to 2.0% \_\_\_\_\_ >2.0 to 3.0 % \_\_\_\_\_ > 3.0 to 4.0% \_\_\_\_\_ %  
 >4.0 to 5.0% \_\_\_\_\_ and in additional 1% increments as appropriate \_\_\_\_\_ %
6. If you responded yes to any of the questions 1-4 above, please check the appropriate type of ownership/distributable income share:  
 Sole Proprietorship  Stock  Partnership  Other (explain) \_\_\_\_\_  
 Name: \_\_\_\_\_  
 Address: \_\_\_\_\_

ii. In relation to individuals identified above, indicate whether any of the following potential conflict of interest relationships apply. If "Yes," please describe each situation (label with appropriate letter) using the space at the end of this Section (attach additional pages as necessary). If no individual has been identified above, mark not applicable (N/A) here \_\_\_\_\_.

- (a) State employment, currently or in the previous 3 years, including contractual employment of services directly with the individuals identified in Section 1 in their individual capacity unrelated to the Vendor's contract. Yes  No
- (b) State employment of spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. Yes  No
- (c) Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois currently or in the previous 3 years. Yes  No
- (d) Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes  No
- (e) Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. Yes  No
- (f) Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes  No
- (g) Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. Yes  No
- (h) Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. Yes  No
- (i) Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes  No
- (j) Relationship to anyone; spouse, father, mother, son, or daughter; who is or was a compensated employee in the last 2 years of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes  No

**Section 2: Section 50-13 Conflicts of Interest** *(All Vendors must complete this section)*

(a) Prohibition. It is unlawful for any person holding an elective office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois [\$106,447.20], or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person to have or acquire any contract, or any direct pecuniary interest in any contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.

(b) Interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) is entitled to receive (i) more than 7 1/2% of the total distributable income or (ii) an amount in excess of the salary of the Governor (\$177,412.00), to have or acquire any such contract or direct pecuniary interest therein.

(c) Combined interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) together with his or her spouse or minor children is entitled to receive (i) more than 15%, in the aggregate, of the total distributable income or (ii) an amount in excess of 2 times the salary of the Governor [\$354,824.00], to have or acquire any such contract or direct pecuniary interest therein.

Check One:            No Conflicts Of Interest  
                               Potential Conflict of Interest (If checked, name each conflicted individual, the nature of the conflict, and the name of the State agency that is associated directly or indirectly with the conflicted individual.)

**Section 3: Debarment/Legal Proceeding Disclosure** *(All Vendors must complete this section).*

Each of the persons identified in Sections 1, 2 and 3 must each identify any of the following that occurred within the previous 10 years:

Debarment from contracting with any governmental entity	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Professional licensure discipline	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Bankruptcies	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Adverse civil judgments and administrative findings	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Criminal felony convictions	Yes <input type="checkbox"/>	No <input type="checkbox"/>

If any of the above is checked yes, please identify with descriptive information the nature of the debarment and legal proceeding. The State reserves the right to request more information, should the information need further clarification.

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**Section 4: Disclosure of Business Operations with Iran** *(All Vendors must complete this section).*

In accordance with 30 ILCS 500/50-36, each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

- i. more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action;  
or
- ii. the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

A bid, offer, or proposal that does not include this disclosure shall not be considered responsive. We may consider this disclosure when evaluating the bid, offer, or proposal or awarding the contract.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

There are no business operations that must be disclosed to comply with the above cited law.

The following business operations are disclosed to comply with the above cited law:

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**Section 5: Current and Pending Contracts** *(All Vendors must complete this section).*

Does the Vendor have any contracts pending contracts, bids, proposals or other ongoing procurement relationships with units of State of Illinois government? Yes  No

If yes, please identify each contract, pending contract, bid, proposal and other ongoing procurement relationship it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number.

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**Section 6: Representative Lobbyist/Other Agent** *(All Vendors must complete this section).*

Is the Vendor represented by or employing a lobbyist required to register under the Lobbyist Registration Act or other agent who is not identified under Sections 1 and 2 and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid, offer or contract? Yes  No

If yes, please identify each agent / lobbyist, including name and address.

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Costs/Fees/Compensation/Reimbursements related to assistance to obtain contract (describe):

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Vendor certifies that none of these costs will be billed to the State in the event of contract award. Vendor must file this information with the Secretary of State.

**This Disclosure is signed and made under penalty of perjury pursuant to Sections 500/50-13 and 500/50-35(a) of the Illinois Procurement Code.**

This Disclosure information is submitted on behalf of: \_\_\_\_\_  
(Vendor/Subcontractor Name)

Name of Authorized Representative: \_\_\_\_\_  
Title of Authorized Representative: \_\_\_\_\_  
Signature of Authorized Representative: \_\_\_\_\_  
Date: \_\_\_\_\_

**7. SUPPLEMENTAL PROVISIONS**

**7.1 State Supplemental Provisions**

- Definitions
- Required Federal Clauses, Certifications and Assurances
- ARRA Requirements (American Recovery and Reinvestment Act of 2009)
- Public Works Requirements (construction and maintenance of a public work) (820 ILCS 130/4)
- Prevailing Wage (janitorial cleaning, window cleaning, building and grounds, site technician, natural resources, food services, and security services, if valued at more than \$200 per month or \$2000 per year (30 ILCS 500/25-60)
- Prevailing Wage (all printing contracts) (30 ILCS 500/25-60)
- BEP Subcontracting Requirements (Utilization Plan and Letter of Intent)
- Other (describe)

**7.2 Vendor Supplemental Provisions**

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