

Request for Proposals (RFP)

**Group Term Life and Accidental Death and
Dismemberment (AD&D) Insurances**

PROJECT NO. F10B3400001



**DEPARTMENT OF
BUDGET & MANAGEMENT**
EMPLOYEE BENEFITS DIVISION

Issue Date: June 29, 2012

NOTICE:

Prospective Offerors who have received this document from the Department of Budget and Management's web site, eMarylandMarketplace.com, or who have received this document from a source other than the Procurement Officer, and who wish to assure receipt of any changes or additional materials related to this RFP, should immediately contact the Procurement Officer and provide their name and mailing address so that amendments to the RFP or other communications can be sent to them.

Minority Business Enterprises Are Encouraged to Respond to this Solicitation

**STATE OF MARYLAND
VENDOR COMMENTS**

To help us improve the quality of State solicitations and make our procurement process more responsive and business-friendly, we ask that you take a few minutes to complete this form. Thank you for your assistance.

Bid/Proposal Number: F10B3400001

Entitled: Group Term Life and Accidental Death and Dismemberment (AD&D) Insurances

I. If you are not bidding, please indicate why:

- Other commitments preclude our participation at this time.
- The subject of the Contract is not in our business line.
- We lack experience in the work/commodities required.
- The scope of work is beyond our current capacity.
- We cannot be competitive. (Please explain below.)
- The specifications are either unclear or too restrictive. (Please explain below.)
- Bid/proposal requirements, other than specifications, are unreasonable or too risky. (Please explain below.)
- Time for completion is insufficient.
- Bonding/insurance requirements are prohibitive. (Please explain below.)
- Doing business with government is simply too complicated.
- Prior experience with State of Maryland Contracts was unprofitable or otherwise unsatisfactory. (Please explain below.)
- Other: _____

II. Please explain your response further, offer suggestions or express concerns. (Use the back for additional information.)

Remarks:

OPTIONAL:

Vendor Name: _____ Date: _____

Contact Person: _____ Phone: (____) _____ - _____

Address or e-mail: _____

THANK YOU

KEY INFORMATION SUMMARY SHEET

STATE OF MARYLAND

Request for Proposals

Group Term Life and Accidental Death and Dismemberment (AD&D) Insurances

PROJECT NO. F10B340001

RFP Issue Date: June 29, 2012

RFP Issuing Office: Maryland Department of Budget and Management
Employee Benefits Division

Procurement Officer: Michael Howard
Office Phone: (410) 260-7518
Facsimile: (410) 974-3274
E-mail: mhoward@dbm.state.md.us

Proposals are to be sent to: Maryland Department of Budget and Management
45 Calvert Street, Room 142
Annapolis, MD 21401
Attention: Michael Howard

Pre-Proposal Conference: July 9, 2012 – 10:00 AM Local Time
Department of Budget and Management
300 West Preston Street
Auditorium
Baltimore, MD 21201

Closing Date and Time: July 24, 2012 – 2:00 PM Local Time

NOTICE:

Prospective Offerors who have received this document from the Department of Budget and Management's web site, eMarylandMarketplace.com, or who have received this document from a source other than the Procurement Officer, and who wish to assure receipt of any changes or additional materials related to this RFP, should immediately contact the Procurement Officer and provide their name and mailing address so that amendments to the RFP or other communications can be sent to them.

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SECTION 1 - GENERAL INFORMATION

1.1 Summary Statement

1.1.1 The Department of Budget and Management (DBM) is issuing a Request for Proposals (RFP) for the following services:

- Service Category I: Group term life insurance services for active employees, satellite account employees, retired State employees, Direct Pay Enrollees (excluding COBRA enrollees) and their eligible Dependents, and
- Service Category II: Accidental Death and Dismemberment (AD&D) insurance for active employees, Direct Pay Enrollees and satellite account employees.

1.1.2 The State will contract separately for each of these services and intends to award two Contracts to Offeror(s) whose proposals are deemed most advantageous to the State. A vendor may submit a proposal for either one or both Service Categories and can potentially be the successful Offeror in both Service Categories. It is the State's intention to obtain services, as specified in this Request for Proposals, through Contracts between the successful Offeror(s) and the State.

1.1.3 Although it is the State's intent to contract for the services described in this RFP within the confines of COMAR Title 21, no minimum or maximum amounts of coverage or services are guaranteed.

1.2 Abbreviations and Definitions

For purposes of this RFP, the following abbreviations and terms have the meanings indicated below:

- a. **“Actively at Work”** means the individual is performing the material duties of his/her own occupation at the employer's usual place of business. The individual is considered **Actively at Work** if absence is due to a regularly scheduled day off, holiday or vacation day.
- b. **“AD&D”** means Accidental Death and Dismemberment insurance.
- c. **“ASM”** means the day-to-day Account Service Manager.
- d. **“BAFO”** means Best and Final Offer; a BAFO may be requested by the Procurement Officer in order to permit written revisions to an Offeror's initial proposal.
- e. **“Business Days”** means the official working days of the week to include Monday through Friday. Official working days exclude State observed holidays and other days when the State as a whole is officially closed. For the purposes of this Contract holidays and other days when the State as a whole is closed are collectively referred to as Holidays (**State Holidays, can be found at: www.dbm.maryland.gov – keyword: State Holidays**). Any time the Contractor is to provide a service Monday through Friday, to include State observed Holidays, the description of these circumstances in the RFP will be “Monday through Friday Including Holidays”.
- f. **“COMAR”** means Code of Maryland Regulations.
- g. **“Covered Lives”** means each individual enrolled in a plan.
- h. **“CPB”** means the State of Maryland Central Payroll Bureau
- i. **“DBM”** means the Department of Budget and Management.

- j. **“Dependent”** means the Spouse, Dependent Child, or Domestic Partner of an eligible Member, or the Dependent Child of a Domestic Partner, as defined in and made eligible for benefits by COMAR 17.04.13.03.A (9)
- k. **“Dependent Child”** means eligible member’s or Domestic Partner’s dependent child as defined by COMAR 17.04.13.01.B(3) & (3-1)
- l. **“Direct Pay Enrollee”** means an eligible individual who is billed directly by the Department of Budget and Management for selected benefits.
- m. **“Domestic Partner”** means an individual in a relationship with an eligible member who is the same sex as the eligible member, as defined by COMAR 17.04.13.01.B(4-1)
- n. **“EBD”** means Employee Benefits Division of the Department of Budget and Management.
- o. **“Living Benefit”** means the life insurance benefit available in the event of a terminal illness. An insured employee or Spouse/Domestic Partner has the option for early access of up to 50% of the benefit amount if the person is medically certified by the insurance carrier to be terminally ill with less than six months to live.
- p. **“Local Time”** means Eastern Standard Time or Eastern Daylight Time, as applicable, as such time is observed in the State of Maryland.
- q. **“MBE”** means a Minority Business Enterprise that is certified by the Maryland Department of Transportation.
- r. **“Member”** means an employee, retiree or direct pay enrollee who is eligible to participate in the State of Maryland Employee and Retiree Health and Welfare Benefits Program but does not include the Member’s Dependent(s).
- s. **“No Pay”** refers to situations in which employees do not have a sufficient amount in their paycheck to fund benefits deduction(s). Such insufficient balances may be the result of Members not having sufficient leave balances or may be due to administrative error. Members are billed by the State for the insufficient balance and are provided a grace period to pay appropriately.
- t. **“Offeror”** means an entity that submits a proposal in response to this RFP.
- u. **“Offshore”** means the outsourcing of a function to be performed by the Offeror that is performed by an entity located outside of the territories that make up the United States of America.
- v. **“PPE”** means Pay Period Ending.
- w. **“RFP”** means this Request for Proposals for term life and AD&D insurance services.
- x. **“Satellite Account Employee”** means an employee of a political subdivision, agency, commission, or non-profit organization that is permitted by Maryland law to participate in the State of Maryland Benefits Program.
- y. **“Spouse”** means an individual of the opposite or of the same sex who is lawfully joined in marriage to an employee or retired employee as recognized by the laws of the State of Maryland, as defined by COMAR 17.04.13.01.B(9).
- z. **“TIN”** means tax identification number.
- aa. **“TTY/TDD”** means a telephone device used by hearing impaired individuals whereby they communicate via telephone connected to a keyboard and screen.
- bb. **“USM”** means University System of Maryland.
- cc. **“Waiver of Premium”** means an insurance provision that waives the payment of the premium and continues insurance coverage during a period of total disability as defined by the insurer.

1.3 Pre-Proposal Conference

A Pre-Proposal Conference (Conference) will be held on July 9, 2012, beginning at 10:00 AM, at 300 West Preston Street, Auditorium, Baltimore, MD 21201. Attendance at the Pre-Proposal Conference is not mandatory, but all interested Offerors are encouraged to attend in order to facilitate better preparation of their proposals. In addition, attendance may facilitate the Offerors overall understanding and ability to meet the State's Minority Business Enterprise (MBE) goals.

After the Pre-Proposal Conference, a written summary of the Pre-Proposal Conference and all questions and answers known at that time will be distributed, free of charge, to all prospective Offerors known to have received a copy of this RFP.

In order to ensure adequate seating and other accommodations at the Pre-Proposal Conference, please submit the Pre-Proposal Conference Response Form to the attention of Michael Howard, preferably via e-mail to mhoward@dbm.state.md.us, or via facsimile to (410) 974-3274 with such notice no later than 2:00 PM Local Time on July 5, 2012. The Pre-Proposal Conference Response Form is included as Attachment H to this RFP. In addition, if there is a need for sign language interpretation and/or other special accommodations due to a disability, please contact the Procurement Officer no later than July 5, 2012. DBM will make a reasonable effort to provide such special accommodation.

1.4 Proposals Due (Closing) Date

An unbound original and five bound copies of each proposal (technical and financial) shall be received by the Procurement Officer, at the address listed in Section 1.7, no later than 2:00 PM (Local Time) on **July 24, 2012** in order to be considered. Two electronic versions on CDs of the Technical Proposal in MS Word or Excel format shall be enclosed with the original Technical Proposal. Two electronic versions on CD of the Financial Proposal in MS Word or Excel format shall be enclosed with the original Financial Proposal. Ensure that each of the four CDs are labeled with the RFP title, RFP project number, and Offeror name and packaged with the original copy of the appropriate proposal (technical or financial).

Requests for extension of this date or time will not be granted. Offerors mailing proposals should allow sufficient mail delivery time to ensure timely receipt by the Procurement Officer. Except as provided in COMAR 21.05.03.02.F and 21.05.02.10, proposals received by the Procurement Officer after the due date, **July 24, 2012** at 2:00 PM (Local Time) will not be considered.

Proposals may not be submitted by e-mail or facsimile.

1.5 Questions

Written questions from prospective Offerors will be accepted by the Procurement Officer prior to the pre-proposal conference. As reasonably possible and appropriate, such questions will be answered at the pre-proposal conference. (No substantive question will be answered prior to the pre-proposal conference.) Questions may be submitted by mail, facsimile, or preferably, by e-mail to the Procurement Officer. Questions, both oral and written, will also be accepted from prospective Offerors attending the Pre-Proposal Conference. As reasonably possible and appropriate, these questions will be answered at the Pre-Proposal Conference, or shortly thereafter.

Questions will also be accepted subsequent to the Pre-Proposal Conference and should be submitted in a timely manner prior to the proposal due date to the Procurement Officer. The Procurement Officer, based on the availability of time to research and communicate an answer, shall decide whether an answer can be given before the proposal due date. Time permitting, answers to all substantive questions that have not

previously been answered, and are not clearly specific only to the requestor, will be distributed to all Offerors who are known to have received a copy of the RFP.

1.6 Contract Duration

- 1.6.1 The Contract that results from this RFP shall commence as of the date the Contract is signed by the Department following approval of the Contract by the Board of Public Works (“Contract Commencement”).
- 1.6.2 From the date of Contract Commencement through June 30, 2013, or a later date contained in a Notice to Proceed issued by the Procurement Officer, the Contractor shall perform start-up activities such as are necessary to enable the Contractor to begin the successful performance of Contract activities as of the Go-Live Date. No compensation will be paid to the Contractor for any start-up activities it performs between the date of Contract Commencement and the Go Live Date.
- 1.6.3 As of July 1, 2013, or later date as contained in a Notice to Proceed issued by the Procurement Officer, (the “Go Live Date”) the Contractor shall perform all activities required by the Contract, including the requirements of the RFP, and the offerings in the Technical Proposal, for the compensation contained in the Financial Proposal.
- 1.6.4 The duration of the Contract will be from the date of Contract Commencement for 5 complete plan years for the provision of all services required by the Contract, the requirements of the RFP including the start-up activities described in 3.6 and the offerings in the Technical Proposal.

1.7 Procurement Officer

The sole point of contact in the State for purposes of this RFP prior to the award of any Contract(s) is the Procurement Officer at the address listed below:

Michael Howard
Maryland Department of Budget and Management
Division of Procurement Policy & Administration
45 Calvert Street, Room 142
Annapolis, Maryland 21401
Telephone: 410.260.7518
Fax: 410.974.3274
E-mail: mhoward@dbm.state.md.us

DBM may change the Procurement Officer at any time by written notice.

1.8 Contract Manager

The Contract Manager is:

Anne Timmons
Maryland Department of Budget and Management
Employee Benefits Division
301 West Preston Street, Room 510
Baltimore, Maryland 21201
Telephone: 410.767.4710
Fax: 410.333.7122
E-mail: atimmons@dbm.state.md.us

DBM may change the Contract Manager at any time by written notice to the Contractor.

1.9 Minority Business Enterprises Notification

MBE vendors are encouraged to obtain certification from the Office of Minority Business Enterprise. All questions related to certification should be directed to the Office of Minority Business Enterprise.

Director
Office of Minority Business Enterprise
Maryland Department of Transportation (MDOT)
P.O. Box 8755
BWI Airport, Maryland 21240-0755
Telephone: 410.865.1269

If the Offeror is a certified minority Contractor, it should be so indicated with the certification number in the Technical Proposal.

1.10 Minority Business Enterprises

A Minority Business Enterprise (MBE) subcontractor participation goal of 1.0% of the total premiums collected by the Contractor(s) for each service category during the term of the contract has been established for this procurement.

Only businesses certified by the State of Maryland as minority owned and controlled can be counted toward achievements of these goals. **MBE requirements are specified in Attachment D of this RFP.**

*As the contract is based upon indefinite quantity, the MBE Subcontractor participation goal is the percent noted above as applicable to each Service Category and is based upon the actual total premiums collected by the Contractor(s) per Service Category. **Credit will only be given to the Contractor for MBE participation that is directly attributable (i.e. premiums collected by the Contractor(s) for each service category during the terms of the contract) for the work proposed under the State Contract.***

For any questions about the MBE Subcontractor participation goal, proper completion of MBE Affidavits, or the MBE program in general, please contact the Procurement Officer prior to the Proposal Due (closing) Date. Questions or concerns regarding the MBE requirements of this solicitation must be raised before the opening of initial technical proposal(s).

The Contractor shall structure its award(s) of subcontracts under the Contract in a good faith effort to achieve the goal in such subcontract awards by businesses certified by the State of Maryland as minority owned and controlled. MBE requirements are specified in Attachment D, “Minority Business Enterprise Participation.” **Read Attachment D carefully.** Subcontractors used to meet the MBE goal for each of the two component service categories of this RFP must be identified in the Offeror’s proposal and must be certified to perform all work proposed.

Attachment D-1, “Certified MBE Utilization and Fair Solicitation Affidavit,” must be properly completed and submitted with each Offeror’s proposal. Complete means that every MBE has been identified and the requested information provided. An Offeror that does not commit to meeting the MBE participation goal outlined in this Section 1.10 must submit a request for a full or partial waiver with its proposal submission based upon its outreach prior to submission of its proposal. **Failure of an Offeror to properly complete, sign, and submit Attachment D-1 at the time it submits Technical Response(s) to the RFP will result in the State’s rejection of the Offeror’s Proposal to the RFP. This failure is not curable.**

A current directory of MBEs is available through the Maryland State Department of Transportation, Office of Minority Business Enterprise, 7201 Corporate Center Drive, P.O. Box 548, Hanover, Maryland 21076. The phone number is (410) 865-1269. The directory is also available at <http://www.e-mdot.com/>. Select the MBE Program label. The most current and up-to-date information on MBEs is available via the web site.

1.11 Multiple or Alternate Proposals

Neither multiple nor alternate proposals will be accepted. Submitting proposals for both Service Categories is not considered a multiple proposal, but separate and financial submissions must be prepared for each Service Category. (See Section 1.1.2)

1.12 Cancellations; Acceptance; Minor Irregularities and Discussions

The State reserves the right to cancel this RFP, accept or reject any and all proposals, in whole or in part, received in response to this RFP, to waive or permit cure of minor irregularities, and to conduct discussions with all qualified or potentially qualified Offerors in any manner necessary to serve the best interests of the State. The State also reserves the right, in its sole discretion, to award a Contract based upon the written proposals received without prior discussions or negotiations.

1.13 Oral Presentation

Offerors may be required to make oral presentations to State representatives in an effort to clarify information contained in their proposals. Significant representations made by an Offeror during the oral presentation shall be submitted in writing. All such representations will become part of the Offerors proposal and are binding if the Contract is awarded. The Procurement Officer will notify Offerors of the time and place of oral presentations.

1.14 Duration of Offer

Proposals submitted in response to this RFP are irrevocable for 180 days following the later of the closing date of proposals or of Best and Final Offers (BAFO’s), if requested. This period may be extended at the Procurement Officer's request only with the Offeror’s written agreement.

1.15 Public Information Act Notice

An Offeror shall give specific attention to the clear identification of those portions of its proposal that it considers confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Public Information Act, Title 10, Subtitle 6, Part III of the State Government Article of the Annotated Code of Maryland.

Offerors are advised that, upon request for this information from a third party, the Procurement Officer is required to make an independent determination whether the information can be disclosed (see COMAR 21.05.08.01). **Information which is claimed to be confidential is to be identified *after* the Title Page and *before* the Table of Contents in the Technical Proposal and, if applicable, also in the Financial Proposal.**

1.16 Arrearages

By submitting a response to this solicitation, each Offeror represents that it is not in arrears in the payment of any obligations due and owing the State, including the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of the Contract if selected for Contract award.

1.17 Bid/Proposal Affidavit

A proposal submitted by an Offeror shall be accompanied by a completed Bid/Proposal Affidavit. A copy of this Affidavit is included as Attachment B of this RFP.

1.18 Contract Affidavit

All Offerors are advised that if a Contract is awarded as a result of this solicitation, the successful Offeror will be required to complete a Contract Affidavit. A copy of this Affidavit is included for informational purposes as Attachment C of this RFP. This Affidavit shall be provided to the Procurement Officer within five business days of notification of proposed Contract award.

1.19 Contract Type

The Contract that results from this RFP shall be an Indefinite Quantity Contract with Fixed Unit Prices in accordance with COMAR 21.06.03.06. The Fixed Unit Prices will be those reflected in the Offeror's Financial Proposal, Attachment E. The rates quoted by the Offeror shall remain fixed through the term of the contract regardless of actual enrollment.

1.20 Procurement Method

This Contract will be awarded in accordance with the Competitive Sealed Proposals process under COMAR 21.05.03.

1.21 Mandatory Contractual Terms

By submitting an offer in response to this RFP, an Offeror, if selected for award, shall be deemed to have accepted the terms of this RFP and the Contract, attached as Attachment A. **Any exceptions to this RFP or the Contract shall be clearly identified in the Executive Summary of the technical proposal; exceptions to the required format, terms and conditions of Financial Proposal must also be clearly identified in the Executive Summary, without disclosing any pricing information.** A proposal that takes exception to these terms may be rejected.

1.22 Protests/Disputes

Any protest or dispute related respectively to this solicitation or the resulting Contract shall be subject to the provisions of COMAR 21.10 (Administrative and Civil Remedies).

1.23 Revisions to the RFP

If it becomes necessary to revise this RFP before the due date for proposals, amendments will be provided to all prospective Offerors who were sent this RFP or otherwise are known by the Procurement Officer to have obtained this RFP. In addition, amendments to the RFP will be posted on the DBM Procurement web page and through eMarylandMarketplace. Amendments made after the due date for proposals will be sent only to those Offerors who submitted a timely proposal.

Acknowledgment of the receipt of all amendments to this RFP issued before the proposal due date shall accompany the Offeror's proposal in the Transmittal Letter accompanying the Technical Proposal submittal. Acknowledgement of the receipt of amendments to the RFP issued after the proposal due date shall be in the manner specified in the amendment notice. Failure to acknowledge receipt of amendments does not relieve the Offeror from complying with all terms of any such amendment.

1.24 eMarylandMarketplace Fee

eMarylandMarketplace (eMM) is an electronic commerce system—*free to all vendors--and* administered by the Maryland Department of General Services. In addition to using the DBM web site (www.dbm.maryland.gov) and other means for transmitting the RFP and associated materials, the solicitation and summary of the pre-bid/proposal conference, Offeror questions and the Procurement Officer's responses, addenda, and other solicitation related information will be provided via eMarylandMarketplace.

In order to receive a contract award, a vendor *must show current registration on* eMarylandMarketplace.

1.25 Incurred Expenses

The State will not be responsible for any costs incurred by an Offeror in preparing and submitting a proposal, in making an oral presentation, in providing a demonstration, or in performing any other activities relative to this solicitation.

1.26 Economy of Preparation

Proposals should be prepared simply and economically, providing a straightforward, concise description of the Offeror's proposal to meet the requirements of this RFP.

1.27 Offeror Responsibilities

The selected Offerors shall be responsible for rendering services within the category for which they have been selected as required by this RFP. All subcontractors shall be identified and a complete description of their role relative to the proposal shall be included in the Offeror's proposal. Additional information regarding MBE subcontractors is provided under paragraph 1.10 above.

If an Offeror that seeks to perform or provide the services required by this RFP is the subsidiary of another entity, all information submitted by the Offeror, such as but not limited to, references, financial

reports, or experience and documentation used to meet minimum qualifications, if any, shall pertain exclusively to the Offeror, unless the parent organization will guarantee the performance of the subsidiary. If applicable, the Offeror's proposal shall contain an explicit statement that the parent organization will guarantee the performance of the subsidiary. Subcontractors retained for the sole purpose of meeting the established MBE participation goal(s) for this solicitation shall be identified as provided in Attachment D of this RFP.

1.28 Verification of Registration and Tax Payment

Before a corporation can do business in the State, it shall be registered and in good standing with the Department of Assessments and Taxation, State Office Building, Room 803, 301 West Preston Street, Baltimore, Maryland 21201. It is strongly recommended that any potential Offeror complete registration and ensure that it is in good standing prior to the due date for receipt of proposals. An Offeror's failure to complete registration and be in good standing with the Department of Assessments and Taxation may disqualify an otherwise successful Offeror from final consideration and recommendation for Contract award.

1.29 False Statements

Offerors are advised that section 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland provides as follows:

- (a) In connection with a procurement Contract, a person may not willfully:
 - Falsify, conceal, or suppress a material fact by any scheme or device;
 - Make a false or fraudulent statement or representation of a material fact; or
 - Use a false writing or document that contains a false or fraudulent statement or entry of a material fact.
- (b) A person may not aid or conspire with another person to commit an act under subsection (a) of this section.
- (c) A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding five (5) years or both.

1.30 Payments by Electronic Funds Transfer

By submitting a response to this solicitation, the Offeror agrees to accept payments by electronic funds transfer unless the State Comptroller's Office grants an exemption. The selected Offeror shall register using the COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form attached as Attachment F. Any request for exemption shall be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and shall include the business identification information as stated on the form and include the reason for the exemption. The COT/GAC X-10 form can be downloaded at: <http://compnet.comp.state.md.us/gad/pdf/GADX-10.pdf>.

1.31 Non-Disclosure Agreement

In order to assist Offerors in developing their proposals, certain confidential information may be available to offerors. Such information may include: demographic data showing the date of birth, date of employment, gender, employee type (active, retiree, etc.) and current covered volume and for approximately 80,000 active, full-time employees and approximately 42,000 retirees, along with three years of claims history. This information is available on a CD-ROM or e-mail (password protected 7MB

Excel file/1MB zipped) by request. In order to obtain any confidential information, an Offeror must first print, sign and return to the Procurement Officer (scanned copy with signature service and transmitted by e-mail is acceptable) a non-disclosure agreement found at Attachment I with a request for the data.

1.32 Subcontractor Prompt Payment Policy

This procurement and the contract to be awarded pursuant to this solicitation are subject to the Prompt Payment Policy Directive issued by the Governor's Office of Minority Affairs dated August 1, 2008. Promulgated pursuant to SFP sections 11-201, 13-205(a), and Title 14, Subtitle 3, and (COMAR 21.01.01.03 and 21.11.03.01 et seq), the Directive seeks to ensure the prompt payment of all subcontractors on non-construction procurement contracts. The successful Offerors to this solicitation who are awarded a contract must comply with the prompt payment requirements outlined in the Contract, § 32.-Subcontractor Prompt Payment. Additional prompt payment information is available on the GOMA website at: http://www.mdminoritybusiness.com/documents/PROMPTPAYMENTFAQs_000.pdf

1.33 Electronic Procurements Authorized

- A. Under COMAR 21.03.05, unless otherwise prohibited by law, the Department of Budget & Management (DBM) may conduct procurement transactions by electronic means, including the solicitation, bidding, award, execution, and administration of a contract, as provided in the Maryland Uniform Electronic Transactions Act, Commercial Law Article, Title 21, Annotated Code of Maryland.
- B. Participation in the solicitation process on a procurement contract for which electronic means has been authorized shall constitute consent by the Offeror to conduct by electronic means all elements of the procurement of that Contract which are specifically authorized under the RFP or the Contract.
- C. "Electronic means" refers to exchanges or communications using electronic, digital, magnetic, wireless, optical, electromagnetic, or other means of electronically conducting transactions. Electronic means includes facsimile, electronic mail, internet-based communications, electronic funds transfer, specific electronic bidding platforms (e.g. eMarylandMarketplace.com), and electronic data interchange.
- D. In addition to specific electronic transactions specifically authorized in other sections of this RFP (e.g. §1.31 related to EFT) and subject to the exclusions noted in section E of this subsection, the following transactions are authorized to be conducted by electronic means on the terms described:
 1. The Procurement Officer may conduct this procurement using eMarylandMarketplace, e-mail or facsimile to issue:
 - (i) the solicitation (e.g. the RFP);
 - (ii) any amendments;
 - (iii) pre-proposal conference documents;
 - (iv) questions and responses;
 - (v) communications regarding the solicitation or proposal to any Offeror or potential Offeror including requests for clarification, explanation, or removal of elements of an Offeror's proposal deemed not acceptable;
 - (vi) notices of award selection or non-selection; and
 - (vii) the Procurement Officer's decision on any protest or Contract claim.
 2. An Offeror or potential Offeror may use e-mail or facsimile to:
 - (i) ask questions regarding this solicitation;
 - (ii) reply to any material received from the Procurement Officer by electronic means that

- includes a Procurement Officer's request or direction to reply by e-mail or facsimile, but only on the terms specifically approved and directed by the Procurement Officer;
- (iii) request a debriefing; or,
- (iv) submit a "No Bid Response" to this solicitation.

- 3. The Procurement Officer, the State's Contract Administrator and the Contractor may conduct day-to-day Contract administration, except as outlined in section E of this subsection utilizing e-mail, facsimile or other electronic means if authorized by the Procurement Officer or DBM Contract Administrator.

E. The following transactions related to this procurement and any Contract awarded pursuant to it are not authorized to be conducted by electronic means:

- 1. submission of initial bids or proposals;
- 2. filing of protests;
- 3. filing of Contract claims;
- 4. submission of documents determined by DBM to require original signatures unless authorized by the State Contract Administrator (e.g. Contract execution, Contract modifications, etc.); or,
- 5. any transaction, submission, or communication where the Procurement Officer has specifically directed that a response from the Contractor or Offeror be provided in writing or hard copy.

F. Any facsimile or electronic mail transmission is only authorized to the facsimile numbers or electronic mail addresses for the identified person as provided in the RFP, the Contract, or in the direction from the Procurement Officer or DBM Contract Administrator.

1.34 Living Wage Requirements

A solicitation for services under a State contract valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement (SFP) Article, Annotated Code of Maryland. Additional information regarding the State's Living Wage requirement is contained in this solicitation (see Attachment J, Living Wage Requirements for Service Contracts). If the Offeror fails to submit and complete the Affidavit of Agreement, the State may determine an Offeror to be not responsible.

Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least \$12.49 (effective September 27, 2011) per hour, if State contract services valued at 50% or more of the total value of the contract are performed in the Tier 1 Area. If State contract services valued at 50% or more of the total contract value are performed in the Tier 2 Area, an Offeror shall pay each covered employee at least \$9.39 (effective September 27, 2011) per hour. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. In the event that the employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located. The contract resulting from this solicitation will be deemed to be a Tier 1 contract or a Tier 2 contract depending on the location(s) from which the contractor provides 50% or more of the services. If the contractor provides 50% or more of the services from a location(s) in a Tier 1 jurisdiction(s) the contract will be a Tier 1 contract. If the contractor provides 50% or more of the services from a location(s) in a Tier 2 jurisdiction(s), the contract will be a Tier 2 contract. If the contractor provides more than 50% of the services from an out-of-State location, the State has determined that Tier 1 will be the wage tier, based on where the majority of the service recipients are located. The Offeror must identify in its proposal the location(s) from which services will be provided.

The Maryland Department of Labor, Licensing, and Regulation is responsible for establishing the wage rates and ensuring compliance with the laws. General information on the Living Wage Law is available on the DLLR website: <http://www.dllr.state.md.us/> Richard Avallone, program manager of the Employment Standards Unit, may be reached at (410) 767-2358 or ravallone@dllr.state.md.us. **NOTE: Whereas the Living Wage may change annually, the Contract price may not be changed because of a Living Wage change.**

1.35 Performance Guarantees and Liquidated Damages

It is critical to the success of the State's benefits plans that services be maintained in a timely manner and that the Contractor operates in an extremely reliable manner. It would be impracticable and extremely difficult to fix the actual damage sustained by the State in the event of delays or failures in claims administration, service, reporting, and attendance of Contractor personnel on scheduled work and provision of services to the State employees, retirees and Dependents served by this Contract. The State and the Contractor, therefore, presume that in the event of any such delay, the amount of damage which will be sustained from a failure to perform to certain standards will be the amounts set forth in Attachment L; and the Contractor agrees that in the event of any such failure of performance, the Contractor shall pay such amount as liquidated damages and not as a penalty. The State, at its option for amount due the State as liquidated damages, may deduct such from any money payable to the Contractor or may bill the Contractor as a separate item. See Section 3.5.10 and Attachment L for measurement parameters.

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SECTION 2 – MINIMUM QUALIFICATIONS

2.1 Minimum Qualification Requirements

The Offeror (i.e., the entity that insures the benefit) must:

- Have an A.M. Best or Standard & Poor’s insurance rating of no less than A,
- Have a minimum of \$1 billion of value of in-force volume for the category proposed, and
- Be licensed in Maryland at the time of proposal submission to issue the kinds of policies for which the proposals are submitted.

2.2 Minimum Qualification Proof

The documentation listed below represents the form of proof necessary to demonstrate that minimum qualifications are met. Please see RFP Section 4.4.3.2 for instructions on where to place the minimum qualification proofs and their significance.

- Provide a copy of a document (Internet document acceptable) reflecting an A.M. Best or Standard & Poor insurance rating of no less than A. An A- rating would not meet the requirement. The document must be originated by either A.M. Best or Standard & Poor.
- Provide a copy of the information reported most recently to A.M. Best. Also provide the “net premium written” figure disclosed to A.M. Best and the date of submission.
- Provide a copy of the A.M. Best report showing the in-force volume of insurance for each Service Category proposed.
- Provide a copy of the Certificate of Authority issued by the Maryland Insurance Administration (MIA).

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SECTION 3 – SCOPE OF WORK

3.1 Description of Current Plans

- 3.1.1** The State currently has approximately 80,000 active employees and 42,000 retirees located across the country and overseas. Group Term Life insurance and AD&D insurance benefits are offered to employees through the State’s health benefits program on a contributory basis. Approximately 102,000 lives are covered under the current life insurance program. Approximately 42,000 lives are covered under the current AD&D program.
- 3.1.2** The Plan Year for the benefits in the State Employee and Retiree Health and Welfare Benefits Program (the Program), which includes the Group Term Life and AD&D insurance plans, runs from July 1 of each year through to June 30 of the next year. This Plan Year coincides with the State’s fiscal year (FY). An annual Open Enrollment period is generally held before the start of the Plan Year, typically in April or May. Members in the Program make benefits elections which are generally irrevocable for the Plan Year, except for election changes which are permissible under federal cafeteria plan law (see 26 USC §125 and Treasury regulations promulgated there under. The State generally permits all changes in election that are permissible under the applicable federal cafeteria plan law. Elections for Group Term Life and AD&D coverage are evergreen elections that roll-over from Plan Year to Plan Year unless Members elect to change (increase, decrease, drop or initiate) coverage.
- 3.1.3** The first \$50,000 of life coverage for employees is paid on a pre-tax basis through regular payroll deductions; coverage for employees above \$50,000 and Dependent coverage is paid through post-tax payroll deductions only. Both plans are fully insured and are 100% contributory, i.e. the employee pays all premiums. Eligibility requirements for life insurance coverage are defined below. The total cost of the group term life insurance program in FY 2011 representing the total premiums paid to the insurance provider, was approximately \$14.1 million for active employees, retirees, satellites and Direct Pay Enrollees. The total cost of the AD&D program for active employees, satellites and Direct Pay Enrollees during the same period was approximately \$2.2 million.
- 3.1.4** The State’s eligibility criteria as provided in this RFP shall be used to make all enrollment and eligibility decisions – **excluding medical underwriting decisions** – with regard to participation in the Group Term Life and AD&D Insurance plans. The State uses the provisions of COMAR 17.04.13.03A, as supplemented by the provisions of this RFP, to determine eligibility for the Group Term Life and AD&D plans. In addition, duplicate coverage in these benefit plans is prohibited as follows:
- (a) When both spouses are State employees, they may not cover themselves and their spouses at the same time. One employee may cover both (as member and dependent spouse) or each employee may cover himself/herself as a member. Dependent children of these employees may be enrolled under either parent’s coverage, but not both.
 - (b) Dependent children of employees who are employees are not eligible to be enrolled as dependents under their parent’s coverage if they have enrolled as individual members.

The State generally handles all enrollment functions and will provide enrollment information to the Contractor(s). The State determines and approves any mid-year election or coverage changes. In the event that an employee fails to have sufficient funds in a bi-weekly or monthly paycheck to fund the deduction for insurance coverage (i.e. a No Pay situation), the State will provide a grace

period to the employee to transmit the required premium. Such premiums will be forwarded to the Contractor(s). (See Section 3.4 of RFP.) The Contractor(s) must accept these determinations by the State and provide insurance coverage accordingly. Note, the State does review enrollment information to remove prohibited duplicate coverage for State employees who are married to each other and covering each other under this benefit.

3.1.5 The below tables reflect insured volumes and other pertinent summary data since FY 2010 for both Categories:

Group Life Insurance Historical Data

Employee/Retiree Life

Inclusive Period	Avg Covered Lives at the End of the Year	Avg Volume (\$ at the End of the Year	Premiums Paid (\$)	Incurred Claims (\$)	Incurred Claim Loss Ratio
7/2009 - 6/2010	59,448	3,651,480,625	9,014,254	9,046,291	100%
7/2010 - 6/2011	60,349	3,802,339,463	10,324,153	9,046,363	88%
7/2011 - 4/2012	61,113	3,938,815,725	9,156,516	8,373,769	91%

Group Life Insurance Historical Data

Dependent Life

Inclusive Period	Avg Covered Lives at the End of the Year	Avg Volume (\$ at the End of the Year	Premiums Paid (\$)	Incurred Claims (\$)	Incurred Claim Loss Ratio
7/2009 - 6/2010	40,041	977,262,946	3,889,032	2,707,245	70%
7/2010 - 6/2011	41,117	1,027,520,988	4,277,682	2,838,409	66%
7/2011 - 4/2012	42,204	1,075,576,688	3,783,960	2,194,612	58%

Accidental Death & Dismemberment Insurance Historical Data

Inclusive Period	Avg Covered Lives at the End of the Year	Avg Volume (\$ at the End of the Year	Premiums Paid (\$)	Incurred Claims (\$)	Incurred Claim Loss Ratio
7/2009 - 6/2010	39,956	7,731,391,667	1,391,650	1,106,848	80%
7/2010 - 6/2011	40,280	7,530,600,000	1,355,118	1,078,490	80%
7/2011 - 4/2012	41,370	7,761,960,000	1,164,294	770,325	66%

3.2 Service Category I: Group Life Insurance

Group Term Life Insurance Plan. The optional 100% contributory group term life insurance program includes all eligible employees, retirees and their Dependents as defined in this solicitation. The

Contractor must agree to take over the accounts of the participants currently enrolled in the program at their current coverage levels without evidence of insurability.

- 3.2.1** Annual renewable group term life insurance must be offered to active employees and retirees (as continued from active employment) in \$10,000 increments up to a maximum of \$300,000. Up to a maximum of \$500,000 must be offered to any employee who flies in a helicopter, scuba dives or is involved in other high-risk services in the course of their employment with the State of Maryland. Dependent Children and Spouses/Domestic Partners must be offered insurance coverage in \$5,000 increments up to a maximum of 50% of the employee's coverage. Spouse or Domestic Partner coverage premiums must be based on the Spouse or Domestic Partner's age; children's coverage must be offered based on a flat Dependent Child premium and include all eligible children. Guaranteed issue amounts (no evidence of insurability) must be provided as follows:
- a) New employees within 60 days of hire may obtain up to \$50,000 (Spouse/Domestic Partner up to \$25,000),
 - b) Existing employees not previously enrolled may obtain up to \$50,000 (Spouse/Domestic Partner up to \$25,000) during the annual Open Enrollment period.
- 3.2.2** Members must have the ability to change coverage amounts during Open Enrollment or when permitted during a Plan Year by the applicable federal cafeteria plan regulations (i.e. when a qualifying event occurs); amounts requested above the guaranteed issue amount are subject to medical underwriting. However, Members who do not make changes during Open Enrollment will have existing coverage automatically rolled over to the new benefit year without additional medical underwriting.
- 3.2.3** Coverage must include a Living Benefit provision whereby the employee (or the employee on behalf of the Spouse/Domestic Partner or Dependent) may choose to access as much as 50% of the coverage amount if the employee or Spouse/Domestic Partner or Dependent is medically certified as being terminally ill by the insurance carrier with less than six months to live.
- 3.2.4** Retirees who were employed on or after January 1, 1995 must be permitted to continue coverage for themselves and their Dependents at the amount carried at the time of retirement.
- 3.2.5** Members on paid and unpaid leave(s) of absence, **including** but not limited to military leave, from State service must be permitted to continue existing coverage for themselves and their Dependents while on leave, as long as premiums are paid to the State.
- 3.2.6** The Contractor shall provide conversion benefits for Members and Dependents that are at least as good as provided under State law. See Maryland Annotated Code Insurance Article §§ 17-310 et. seq.
- 3.2.7** There shall be no maximum age for enrollment or claims payments for employees, Spouses/Domestic Partners, or their disabled Dependent Children. Non-disabled children must be covered until the end of the month in which the child reaches age 26.
- 3.2.8** The plan must include a Waiver of Premium provision (see definition) for employees and Dependents.
- 3.2.9** No exclusions are permitted under this contract.

3.2.10 Benefit reductions for retirees and dependents of retirees due to age cannot be greater than those provided below:

Age	Benefits Reduce to:
65	65% of the employee or Dependent amount
70	45% of the employee or Dependent amount
75	30% of the employee or Dependent amount
80	20% of the employee or Dependent amount

3.2.11 The Contractor shall provide medical underwriting services for the group term life insurance program. The Contractor’s medical underwriting criteria shall be used under the State contract to make coverage determinations. Material changes to such criteria, originally submitted in the Contractor’s Technical Proposal, during the term of the Contract are permissible only as a contract modification.

3.2.12 The Contractor will be receiving a weekly report from EBD to assist them in the processing of claims in order to meet the requirements of Attachment L.

3.2.13 The Contractor shall have an ASM assigned to the State account who shall act as a liaison between the Contractor and the State.

3.2.14 The ASM must have previous experience assisting with all facets of enrollment and claims services for enrollees and/or family Members attempting to access their insurance benefits.

3.2.15 The Contractor must agree to waive the actively at work provision for all currently enrolled participants as of June 30, 2013.

3.2.16 The Contractor agrees to assume liability for all Waiver of Premium claims in effect June 30, 2013.

3.3 Service Category II: Accidental Death & Dismemberment (AD&D) Insurance

3.3.1 AD&D Insurance Plan. The optional 100% contributory AD&D insurance program includes all eligible employees and their Dependents as defined. Retirees are not eligible to participate in the AD&D insurance plan. The Contractor must agree to take over the accounts of the employees currently enrolled in the program at their current coverage levels.

3.3.2 Participants shall have the option of choosing a \$100,000, \$200,000, or \$300,000 death benefit (Principal Benefit Amount). The plan shall offer reduced benefits for Dismemberment defined as a percentage of the Principal Benefit Amount.

3.3.3 Employees on paid and unpaid leave(s) of absence, **excluding** military leave, must be permitted to continue coverage amounts while on leave as long as premiums are paid to the State.

3.3.4 Members must have the ability to change coverage amounts during Open Enrollment or when permitted during a Plan Year by the applicable federal cafeteria plan regulations (i.e. when a qualifying event occurs). However, Members who do not make changes during Open Enrollment will have existing coverage automatically rolled over to the new benefit year.

3.3.5 The AD&D insurance plan may include only the following exclusions from coverage. Loss caused by:

- Physical or mental illness, diagnosis of or treatment for the illness;
- An infection, unless it is caused by an external wound that can be seen and which was sustained in an accident;
- Suicide or attempted suicide;
- Injuring oneself on purpose;
- The use of any drug or medicine;
- Committing or trying to commit a felony or an assault;
- Any poison or gas, voluntarily taken, administered or absorbed;
- Service in the armed forces of any country or international authority, except the United States National Guard;
- Operating, learning to operate, or serving as a Member of a crew of an aircraft; while in any aircraft operated by or under any military authority (other than the Air Mobility Command); or while in any aircraft being used for a test or experimental purposes; or while in any aircraft used or designed for use beyond the Earth's atmosphere; or
- Driving a vehicle while intoxicated as defined by the laws of the jurisdiction in which the vehicle was being operated.

3.3.6 Life insurance and AD&D insurance does not and shall not include any exclusions for covered losses occurring in any of the following circumstances:

- Operating, learning to operate, or serving as a member of a crew of an aircraft;
- While in any aircraft operated by or under any military authority;
- While in any aircraft being used for a test or experimental purposes; or
- While in any aircraft used or designed for use beyond the Earth's atmosphere.

3.3.7 Offeror must agree to waive the actively at work provision for all currently enrolled participants as of June 30, 2013.

3.4 Payment Terms for Both Service Categories

3.4.1 The Contractor(s) shall not receive compensation for services described in this Section 3 that are performed prior to July 1, 2013 as part of the implementation of the new Contract. The State shall make payment to the Contractor(s) for insurance coverage under a self-administered billing format.

3.4.2 Self-Administered Billing: The State will remit all employee and retiree deductions taken from payroll, pension allowances, and directly paid to the State for Employee Optional Life, Dependent Life, and Accidental Death & Dismemberment by the 10th of the following month. The State will provide three worksheets that indicate total enrollment by category and/or age band, volume by age band, sub-totals by age band/category and grand totals.

3.5 Specifications for All Plans

The State is seeking an insurer(s) to provide, as separate or combined plans, group term life insurance and accidental death and dismemberment insurance. The Contractor(s) shall administer the plan(s) with all specifications outlined in this RFP and shall include, at a minimum, the following services for each plan, except where specifically limited to one plan:

- 3.5.1** Plan Benefits booklets shall be provided by the Contractor(s) and distributed to each Member enrolled in the plan(s); booklet design and format is subject to final approval by the State. Such booklets must include evidence of coverage, specific directions as to reporting a covered loss, explanations of eligibility, a description of available benefits, and other information relevant to the plan. Distribution to covered Members from the date of coverage shall be within four weeks of the contract start date. Benefit booklets shall be mailed to all enrolled members' (employees and retirees) homes and updated booklets will be mailed if the amount of coverage increases or decreases. Retirees shall receive a booklet when they are in active status and do not require a mailing once they are retired. An electronic version shall be provided to the Department of Budget & Management's Contract Manager or her designee.
- 3.5.2** Editable descriptive plan information to be incorporated into the State's Health Benefits Guide used during Open Enrollment shall be presented to the State within two weeks of the request made by the Contract Manager. Contractor(s) should anticipate such a request immediately upon notification of contract award.
- 3.5.3** Marketing brochures sufficient for all State employees and retirees shall be distributed during Open Enrollment and throughout the benefit year. Design and format are subject to final approval by the State. Marketing brochures shall be provided in both hard copy and an electronic version to the Department of Budget & Management's Contract Manager or her designee.
- 3.5.4** All applications, claim forms, and printed materials shall be mailed to Members within two business days from the date of request. Electronic versions must also be supplied for inclusion on the DBM Health Benefits' website.
- 3.5.5** The Contractor(s) shall assign an ASM to service State requirements under the Contract and to respond to inquiries and problems.
- 3.5.6** A toll-free, 24-hour, 7 days/week telephone number dedicated to the State account must be available to facilitate Members' access to services. Individuals with disabilities must be provided with adequate access to all customer service options. The Contractor(s) shall not Offshore any customer service related functions. The toll free line shall be manned by a live person during State business hours. Telephone calls received after hours or on weekends/holidays shall be accommodated by a voice mail system. All messages received after business hours or on weekends/holidays shall be returned the next business morning.
- 3.5.7** The Contractor(s) shall provide Open Enrollment services for each annual Open Enrollment period corresponding to a period of coverage covered by the Contract. The staff that provides Open Enrollment services must be knowledgeable and trained in the specifics of the insurance coverage offered by the Contractor. Open Enrollment is the primary marketing opportunity for the Contractor. Open Enrollment services shall include, but are not limited to:
- Contractor attendance at all regional benefit coordinator training sessions held each benefit year; such sessions are usually held in March but may be rescheduled when necessary.
 - Contractor attendance at benefit fairs across the State each year of the contract including option years to answer employee/retiree questions and provide plan overview information (120 or more fairs, usually held in April and May).
 - The State's cost for Open Enrollment printing and mailing is split evenly among all of the State's health plan contractors after Open Enrollment has ended. Typically, a cost of approximately \$18,000 is paid by each contractor.
 - Medical underwriting reviews as necessary, with approved coverage beginning with next closest processing date even if medical underwriting decisions are delayed past the Plan

Year beginning date.

- 3.5.8** The Contractor(s) shall accept the State’s format for enrollment information using the State’s formats and transmission methods. Enrollment information is generally provided on the following schedule:
- A full positive file containing all enrolled Members with coverage election is sent before the start of each Plan Year.
 - Regular change files, noting additions and/or deletions to coverage, including insurance coverage amounts and Dependents covered.
- 3.5.9** Quarterly and annual claims utilization reports shall be submitted to the State by the Contractor(s) not later than 30 days after the end of the reporting period.
- 3.5.10** The Contractor(s) must comply with the State’s performance guarantees and liquidated damages as described in Attachment L. The Contractor(s) shall submit performance reports to the State on a quarterly basis.
- 3.5.11** The Contractor(s) must comply with all standards required under applicable state and federal laws and regulations (conversion and portability rights, etc.) and shall meet any State-mandated benefit provisions that may be required during the term of the Contract(s).
- 3.5.12** The insurance coverage issued pursuant to the Contract(s) awarded in this procurement shall be situated in Maryland.
- 3.5.13** The Contractor(s) must confirm and maintain all beneficiary designations for covered individuals. The State does not have this information for current Members and covered individuals. Upon request by the State, the Contractor(s) must provide beneficiary designation data to the Department for record keeping.
- 3.5.14** Each plan must be designed to ensure the highest level of customer service for State plan Members.

3.6 Implementation Schedule

DATE (approximate)	ACTIVITY
February 1, 2013	1) Begin implementation meetings with the State of Maryland.
	2) Provide Plan Benefits booklets for State review and approval.
	3) Provide Open Enrollment materials (including plan description for Open Enrollment booklet and marketing brochures) for State review and approval.
	4) Begin testing to ensure accurate and secure transmission of enrollment data.

	5) Establish the necessary account with the Comptroller's Office to enable electronic funds transfer. See Section 1.30.
March, 2013	1) Attend Benefit Coordinators Training Sessions
	2) Provide marketing materials for distribution
April, 2013	1) Attend Open Enrollment and Benefit Fairs
	2) Provide marketing materials and information
June, 2013	1) Receive positive file for enrollment and coverage beginning July 1, 2013.
	2) Begin confirmation of beneficiary elections for all enrolled individuals.
July 1, 2013	Commence Benefit Coverage

3.7 Report Requirements

3.7.1 Life Quarterly Reports – due 30 days after the end of the fiscal quarter

1. The performance guarantees on attachment L-1 will be reported on quarterly by a self-assessment report sent to the Contract Manager.

Life Annual Reports – due 30 days after the end of the calendar year

1. Premium vs. Claims Report
2. WOP claims Report
3. Life Claims Report

3.7.2 AD&D Quarterly Reports - due 30 days after the end of the fiscal quarter

1. The performance guarantees on attachment L-2 will be reported on quarterly by a self assessment report sent to the Contract Manager.

AD&D Annual Reports – due 30 days after the end of the calendar year

1. Premium vs. Claims Report
2. WOP claims Report
3. Accidental Death Claims Report
4. Dismemberment Claims Report

3.7.3 Benefit Attainment Reports (See Section 4.4.3.8) – due quarterly 30 days after the end of the fiscal quarter.

3.8 Problem Escalation Procedure

3.8.1 The Contractor must provide and maintain a Problem Escalation Procedure for both routine and emergency situations. This Procedure must state how the Contractor will address problem situations as they occur during the performance of the Contract, especially problems that are not resolved to the satisfaction of the DBM Contract Manager within appropriate timeframes.

The Contractor shall provide contact information, as described in 3.8.2, to the DBM Contract Manager as well as other personnel should the Contract Manager not be available.

3.8.2 The Contractor must provide a Problem Escalation Procedure no less than 40 days after the Commencement of the Contract, and within 10 days after the start of each Contract year (and within 10 days after any change in circumstance which changes the Procedure). The Problem Escalation Procedure shall detail how problems will work under the Contract discovered by the Department will be escalated in order to resolve any issues in a timely manner. Details shall include:

1. The process for establishing the existence of a problem,
2. The maximum duration that a problem may remain unresolved at each level before automatically escalating to a higher level for resolution,
3. Circumstances in which the escalation will occur in less than the normal timeframe,
4. The nature of feedback on resolution progress, including the frequency of feedback,
5. Identification of individuals with their position title and contact information (office phone and/or cell phone number, fax number, email address, etc.) for progressively higher levels that would become involved in resolving a continuing problem,
6. Contact information, as per 3.8.2 (5), for persons responsible for resolving issues after normal business hours (*i.e.*, evenings, weekends, holidays, etc.) and on an emergency basis, and
7. A process for updating and notifying the Department's Contract Manager of any changes to the Problem Escalation Procedure.

3.9 Contract Transition

3.9.1 The Contractor shall have an expedited process to minimize duplicate evidence of insurability documentation during the transition of the prior contract to the new contract.

3.9.2 At Contract termination, the Contractor(s) must provide evidence of insurability documents and decisions to the successor contractor(s) providing the insurance coverage.

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SECTION 4 – PROPOSAL FORMAT

4.1 Two Part Submission

Offerors shall submit proposals in separate volumes:

- Volume I – TECHNICAL PROPOSAL
- Volume II – FINANCIAL PROPOSAL

4.2 Proposals

Volume I – Technical Proposal shall be sealed separately from Volume II – Financial Proposal but submitted simultaneously to the Procurement Officer at the address listed on the Key Information Summary. An unbound original, so identified, and five copies of each volume are to be submitted. Two electronic versions of both the Volume I – Technical Proposal in MS Word or Excel format and Volume II – Financial Proposal in MS Word or Excel format shall also be submitted with the unbound originals, technical or financial volumes, as appropriate. Electronic media may be submitted on CD and shall bear a label on the outside containing the RFP title and number, the name of the Offeror, and the volume number (I or II).

4.3 Submission

Each Offeror is required to submit a separate sealed package for each "Volume", which is to be labeled Volume I – Technical Proposal and Volume II – Financial Proposal for each service category. Each sealed package shall bear the RFP title and number, name and address of the Offeror, the volume number (I or II), and the closing date and time for receipt of the proposals on the outside of the package.

All pages of both proposal volumes shall be consecutively numbered from beginning (Page 1) to end (Page "x").

4.4 Volume I – Technical Proposal

4.4.1 Introduction

If an Offeror is submitting a proposal for *only one (1)* Service Category, the Offeror shall submit one proposal which is complete in all respects (identified as the "Complete Proposal") and adhere to all applicable submission requirements as identified in this Section 4.4 – Volume I – Technical Proposal.

If an Offeror is submitting a proposal for *both* Service Categories, the Offeror shall submit a complete package for one Service Category identified as the "Complete Proposal." For the second Service Category, the proposal shall include only the information that is different from the contents of the "Complete Proposal", which includes, but is not limited to a Title and Table of Contents (Ref. Section 4.4.3.1) and Technical Proposal (Ref. Section 4.4.3). This second Proposal shall reference the "Complete Proposal" for the information which is the same.

The Introduction and Title Page shall clearly identify the Service Category proposed per proposal.

4.4.2 Transmittal Letter

A transmittal letter shall accompany the Technical Proposal(s); if submitting for more than one Service Category, only one transmittal letter is needed. The transmittal letter does not need to be bound with the technical proposal. The purpose of this letter is to transmit the proposal(s) and acknowledge the receipt of any addenda. The transmittal letter should be brief and signed by an individual who is authorized to

commit the Offeror to the services and requirements as stated in this RFP. See Offeror Responsibilities in Section 1.27.

4.4.3 Format of Technical Proposal

Inside a sealed package described in Section 4.2 above, an unbound original, to be so labeled, five copies and two electronic versions shall be provided. Section 3 of this RFP provides requirements and Section 4 provides reply instructions. The paragraphs in these RFP sections are numbered for ease of reference. In addition to the instructions below, the Offeror's Technical Proposal should be organized and numbered in the same order as provided in this RFP. This proposal organization will allow State officials and the Evaluation Committee to "map" Offeror responses directly to RFP requirements by paragraph number.

The Technical Proposal shall include the following sections in this order:

4.4.3.1 Title and Table of Contents

The Technical Proposal should begin with a title page bearing the name and address of the Offeror and the name and number of this RFP. A table of contents shall follow the title page for the Technical Proposal. **Note: Information which is claimed to be confidential is to be identified after the Title page and before the Table of Contents in the Offerors Technical Proposal. An explanation for each claim of confidentiality shall be included.**

4.4.3.2 Executive Summary

The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled "Executive Summary."

The Summary shall also identify any exceptions the Offeror has taken to the requirements of this RFP, the Contract (Attachment A), or any other attachments. Exceptions to terms and conditions may result in having the proposal deemed unacceptable or classified as not reasonably susceptible of being selected for award.

If the Offeror has taken no exceptions to the requirements of this RFP, the Executive Summary shall so state.

Following the narrative portion of the Executive Summary, attach the proofs required to show minimum qualifications in RFP Section 2 have been met. See RFP Section 2.2. If the objective proofs do not demonstrate that the minimum qualifications are met, are not submitted or otherwise are not the form of proof requested, the Offerors proposal may be deemed not reasonably susceptible for award and eliminated from further consideration.

4.4.3.3 Offeror Technical Response to RFP Requirements

A. The Offeror shall address each major section in the Technical Proposal for the Service Category which services are being proposed and describe how its proposed services will meet the requirements as described in the RFP. If the State is seeking Offeror agreement to a requirement, the Offeror shall state agreement or disagreement. As stated above, any exception to a term or condition may result in having the proposal deemed unacceptable or classified as not reasonably susceptible of being selected for award. Any paragraph that responds to a work requirement shall not merely rely on a stated agreement to perform the requested work; rather the Offeror should outline how the Offeror can fulfill the requested tasks in a manner that best meets the State's needs.

B. In addition to addressing Section 3 Scope of Work requirements, also provide a detailed implementation plan that clearly demonstrates the Offeror's ability to meet the State's requirements to have a fully functioning program in place and operable at the beginning of the plan year. This section may be identified as the technical proposal response to RFP Section 3.6. This implementation plan should include a list of specific implementation tasks and transition protocols, a timetable for initiation and completion of such tasks, beginning with the contract commencement and continuing through the

effective date of operation (anticipated to be July 1, 2013). This plan should address the specific milestones identified in Section 3.6 and all other tasks and protocols necessary for successful implementation. The implementation plan should be specific about requirements for information transfer as well as any services or assistance required from the State during implementation. The implementation plan should also specifically identify those individuals, by area of expertise, responsible for key implementation activities and clearly identify their roles for implementation.

C. The following questions are designed to solicit information critical to the State's evaluation of the Offeror's capabilities in terms of the evaluation criteria identified in Section 5 of this RFP. Although the Offeror's standard material may contain the requested information, the responses in this section will be an important component in the evaluation. Where applicable, these responses shall also be contract requirements for the Contractor upon award.

In responding, Offerors should repeat each question, followed by the answer. Answers should be concise, but complete. Offerors must respond specifically to each question in this section, regardless of whether the information appears in or may be gleaned from other sections of the offeror's proposal. Failure to respond in this section to all applicable questions may result in rejection of the Offeror's proposal. The responses to these questions shall follow the Implementation Plan and section-by-section response to the Scope of Work requirements. An Offeror may supplement its response to the Scope of Work requirements by cross-referencing the answers to these questions where applicable.

1. Provide a draft plan description to be included in the annual Benefits Guide. The plan description must describe in detail the procedures to be used by eligible Members to obtain services. To assist Offerors in the preparation of this draft, a copy of the plan description included in the Term Life Insurance and AD&D Section of the Benefits Guide for the plan year beginning July 1 can be found on the DBM Health Benefits website.
2. Describe the proposed benefit plan to be offered to State employees under the Contract, including all exclusions and limitations. Please note the plan design requirements of Section 3.2 (GTL) and 3.3 (AD&D). Please provide a sample of: 1) the Benefits Booklet to be distributed to each plan enrollee, and, 2) the marketing brochure to be distributed during Open Enrollment and throughout the year to potential enrollees.
3. List any additional or optional services that you offer without additional charge that have not been requested. Such services may include administration services and/or additional benefits to Members.
4. Describe the kind of internet-based customer service(s) that your company provides. Will Members be able to change or identify beneficiaries on-line?
5. Describe the selection of the persons and training that is provided to persons designated to represent your company at Open Enrollment benefit fairs.
6. Describe the entire claims adjudication process for each service category proposed, i.e., the process that takes place from the time a claim is received until the time a check is issued to a beneficiary or employee. Describe the appeals process for claims that are fully or partially denied.
7. Provide the physical location from which State of Maryland claims will be processed. Include the street address and phone number. For the proposed claim office, what is the average number of working days for a claim to be processed (check issued) from the date of receipt? What training is provided to claims processors?

8. Indicate the turnover rate for employees responsible for claims processing and medical underwriting. Also describe the internal training processes for these individuals.
9. Describe the medical underwriting criteria to be used under the State contract to make coverage determinations.

4.4.3.4 Corporate Experience and Capabilities

A. The Offeror shall describe its overall experience and past performance in providing services similar to those solicited and the Category for which the Offeror is submitting a proposal. As part of this, the Offeror shall provide the organization's legal name and state of incorporation (and headquarters).

B. As part of its offer, each Offeror is to provide a list of all contracts with any entity of the State of Maryland that it is currently performing or which has been completed within the last 5 years. For each identified contract the Offeror is to provide in its Technical Proposal:

- The State contracting entity,
- A brief description of the services/goods provided,
- The dollar value of the contract
- The term of the contract,
- The State employee contact person (name, title, telephone number and e-mail address), and
- Whether the contract was terminated before the end of the term specified in the original contract, including whether any available renewal option was not exercised.

The Procurement Officer or a designee will contact the identified State agencies or the most appropriate persons if many contracts are involved, to ascertain the Offeror's level of performance on State contracts. Information obtained regarding the Offerors level of performance on State contracts will be considered as part of the experience and past performance evaluation criteria of the RFP.

C. As part of its offer, each Offeror is to provide a list of references for which similar services have been provided, in the following categories:

- Three references including at least one from governmental accounts/clients of similar size
- Three references from terminated accounts/clients

The references shall be structured to permit investigation of the Offeror's prior experience. In the event that an Offeror is submitting proposals for more than one Category, the Offeror may duplicate references but should attempt to provide references that may address the Offeror's capabilities in connection with each Category.

Offerors shall list the following information for each of the references submitted:

- Client name and address,
- Name, title and telephone number of person we may contact,
- Number of employees/retirees covered,
- Total number of employees/retirees of the client,
- Total life and AD&D volume insured,
- Length of time they have been a client, and
- Reason for terminating contract

D. The Offeror shall explain its organization's ownership structure, listing all separate legal entities; identifying all major shareholders/owners (10% or greater ownership); describing how long the current ownership structure has been in place; and noting any changes in ownership structure that have occurred within the last two years. To the extent that such disclosure is not prohibited, please also note any changes in ownership structure anticipated to occur within the next two years.

4.4.3.5 Staffing Plan, Personnel Qualification and Professional Experience

A. The Offeror shall provide a staffing plan that describes how the Offeror intends to staff this Contract to meet the State's needs. The Offeror shall identify its proposed ASM and, to the extent applicable based on the Category to which the proposal applies any other key personnel.

As part of the staffing plan, the Offeror shall submit the resumes of the proposed key account services personnel responsible for the management of the Contract. The resumes and staffing plan may also include a description of whether the proposed staff worked on the accounts submitted as references by the Contractor.

B. In addition, the Offeror shall identify the addresses, including city and state, for the following locations proposed to be used for State account activities. If more than one of any of the following will work on the State of Maryland contract, provide the requested information for all such offices.

- Corporate/Firm Management Office
- Customer Service Office
- Provider Service Office
- Account Management/Client Services Office
- Technical Support Office

C. Provide a detailed management plan that clearly demonstrates the Offeror's ability to manage this program on an ongoing basis.

- The management plan shall include the name, title and resume of the person with overall responsibility for planning, supervising, and performing account support services for the State. The management plan should also note how many other clients are assigned to this person and the percentage of this person's time that will be devoted to the State.
- The management plan shall also include an organizational chart identifying the names, functions, and reporting relationships of key people directly responsible for account support services to the State. It should also include the mechanisms and processes in place to allow EBD personnel to communicate with account service representatives: the hours of operation; types of inquiries that can be handled by account service representatives; and a brief explanation of information available on-line. Describe how the Offeror's customer service and other support staff will respond to subscriber or client inquiries and problems. Include the qualifications used in hiring customer service representatives and claims staff, a summary of how the Offeror trains their staff and their turnover rates for the last 36 months. The management plan shall include the names, resumes and a description of functions and responsibilities for all supervisors and managers that will provide services to the State with respect to this contract.
- The Technical Proposal shall also document how many account executives and group services representatives will work full-time on the State's account, how many will work part-time on the State's account, and their history with organization. The management plan shall describe account management support, including the number of meetings to be held with the State each year (not

less than quarterly), information to be reviewed at each meeting, frequency of ongoing communications, and assurance of accountability for account services satisfaction.

4.4.3.6 Subcontractors

Offerors shall identify all subcontractors, if any, and the role these subcontractors will have in the performance of the Contract. (Subcontractors will be evaluated under the appropriate criteria for the Service Category(s) they will be providing.) Please also note MBE requirements in Section 1.9 - 1.10 and Attachment D.

4.4.3.7 Problem Escalation

In response to RFP Section 3.8.2, the Offeror must provide a draft procedure that includes, at a minimum, titles of individuals to be contacted by the Department's Contract Manager should problems arise under the Contract and explain how problems with work under the Contract will be escalated in order to resolve any issues in a timely manner. Final procedures must be submitted as indicated in Section 3.8.2.

4.4.3.8 Economic Benefit Factors

Offerors shall submit with their proposals a narrative describing benefits that will accrue to the Maryland economy as a direct or indirect result of their performance of this contract. Proposals will be evaluated to assess the benefit to Maryland's economy specifically offered.

Proposals that identify specific benefits as being contractually enforceable commitments will be rated more favorably than proposals that do not identify specific benefits as contractual commitments, all other factors being equal.

Offerors shall identify any performance guarantees that will be enforceable by the State if the full level of promised benefit is not achieved during the contract term.

As applicable, for the full duration of the contract, including any renewal period, or until the commitment is satisfied, the Contractor shall provide to the procurement officer or other designated Department personnel reports of the actual attainment of each benefit listed in response to this section. These benefit attainment reports shall be provided quarterly, unless elsewhere in these specifications a different reporting frequency is stated.

Please note that in responding to this section, the following do not generally constitute economic benefits to be derived from this contract:

1. generic statements that the State will benefit from the offeror's superior performance under the contract;
2. descriptions of the number of offeror employees located in Maryland other than those that will be performing work under this contract; or
3. tax revenues from Maryland based employees or locations, other than those that will be performing, or used to perform, work under this contract.

Discussion of Maryland based employees or locations may be appropriate if the offeror makes some projection or guarantee of increased or retained presence based upon being awarded this contract.

Examples of economic benefits to be derived from a contract may include any of the following. For each factor identified below, identify the specific benefit and contractual commitments and provide a breakdown of expenditures in that category:

- The contract dollars to be recycled into Maryland’s economy in support of the contract, through the use of Maryland subcontractors, suppliers and joint venture partners.
- The number and types of jobs for Maryland residents resulting from the contract. Indicate job classifications, number of employees in each classification and the aggregate payroll to which the Contractor has committed, including contractual commitments at both prime and, if applicable, subcontract levels.
- Tax revenues to be generated for Maryland and its political subdivisions as a result of the contract. Indicate tax category (sales taxes, payroll taxes, inventory taxes and estimated personal income taxes for new employees). Provide a forecast of the total tax revenues resulting from the contract.
- Subcontract dollars committed to Maryland small businesses and MBEs.
- Other benefits to the Maryland economy which the Offeror promises will result from awarding the contract to the offeror, including contractual commitments. Describe the benefit, its value to the Maryland economy, and how it will result from, or because of the contract award. Offerors may commit to benefits that are not directly attributable to the contract, but for which the contract award may serve as a catalyst or impetus.

4.4.3.9 Litigations/ Legal Actions

Describe any litigation and/or government action taken, proposed or pending against your company or any entities of your company during the most recent five years. This information shall include notice whether the Offeror’s organization has had its registration and/or certification suspended or revoked in any jurisdiction within the last five years, along with an explanation. In addition, provide a Legal Action Summary. This summary must include:

- a. A statement as to whether there are any outstanding legal actions or potential claims against the Offeror and a brief description of any action;
- b. A brief description of any settled or closed legal actions or claims against the offeror over the past five (5) years;
- c. A description of any judgments against the Offeror within the past five (5) years, including the case name, number court, and what the final ruling or determination was from the court; and
- d. In instances where litigation is on-going and the Offeror has been directed not to disclose information by the court, provide the name of the judge and location of the court.

If an Offeror responds to this section with a generic statement such as, “See 10K” or “See SEC filing”:

- The referenced document must be included in the Technical Proposal.
- The location within the document where the requested information can be found should be specifically noted.
- The information contained in the indicated section should be responsive to the information requested under this section. A generic statement in the document to the effect that there often are what might be called nuisance lawsuits filed against the Offeror will only be sufficient if it is a true statement. i.e., the Offeror is asserting that in its opinion no lawsuit filed against it is noteworthy.

4.4.3.10 Terminated Contracts

The Offeror must provide a list of any contracts with any entity, public or private, that have been terminated, for convenience or cause, within the past five years. Terminated contracts for convenience include contracts with renewal options when an available option was not exercised by the contracting entity (customer). For any such instance, identify:

- The contracting entity,
- The nature of the contract,
- The value of the contract,
- The intended original term of the contract,
- At what stage of the contract it was terminated, and
- The reason for the termination

Include a contact person at the contracting entity that can be contacted for verification of the provided information, or for additional information. The contact person information should include the name and title of the contact, along with a phone number and email address.

4.4.3.11 Additional Required Technical Submissions (with original of Technical Proposal only)

- Completed Bid/Proposal Affidavit (Attachment B)
- Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D-1)
- Completed Living Wage Affidavit of Agreement (Attachment K)

4.5 Volume II – Financial Proposal

Under separate sealed cover from the Technical Proposal and clearly identified with the same information noted on the Technical Proposal, the Offeror must submit an original unbound copy, five (5) bound copies, and two (2) electronic copies (in MS Word format) in a separate envelope labeled as described in Section 4.2, of the Financial Proposal.

The Financial Proposal must contain all cost information in the format specified in Attachment E.

Note: Information which is claimed to be confidential is to be clearly identified in the Offeror's Financial Proposal. An explanation for each claim of confidentiality shall be included.

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SECTION 5 – EVALUATION CRITERIA AND SELECTION PROCEDURE

5.1 Evaluation Criteria

Evaluation of the proposals will be performed by a committee established for that purpose and will be based on the criteria set forth below. The State reserves the right to utilize the services of individuals outside of the established committee for technical advice, as deemed necessary.

5.2 Technical Criteria

The criteria to be applied to each Technical Proposal for each services category are listed below in descending order of importance:

- Offeror’s Technical Response to RFP Requirements. An Offeror’s response to work requirements in the RFP shall illustrate a comprehensive understanding of the work requirements and include an explanation of the methodology of how the work will be done. Responses to work requirements such as “concur” or “will comply” will receive a lower evaluation ranking than those Offerors who demonstrate they understand a work requirement and have a plan to meet or exceed it. (RFP Section 4.4.3.3)
- Corporate Experience and Capability (RFP Section 4.4.3.4)
- Staffing Plan, Personnel, Qualification and Professional Experience (RFP Section 4.4.3.5)
- Subcontractors (RFP Section 4.4.3.6)
- Economic Benefit Factors (RFP Section 4.4.3.8)

5.3 Financial Criteria

All qualified Offerors will be ranked from the lowest to the highest price based on their total price proposed on Attachment E for the appropriate Service Category.

5.4 Reciprocal Preference

Although Maryland law does not authorize procuring agencies to favor resident Offerors in awarding procurement Contracts, many other states do grant their resident businesses preferences over Maryland Contractors. Therefore, as described in COMAR 21.05.01.04, a resident business preference will be given if: a responsible Offeror whose headquarters, principal Base of Operations, or principal site that will primarily provide the services required under this RFP is in another state submits the most advantageous offer; the other state gives a preference to its residents through law, policy, or practice; and, the preference does not conflict with a Federal law or grant affecting the procurement Contract. The preference given shall be identical to the preference that the other state, through law, policy or practice gives to its residents.

5.5 Selection Procedures

5.5.1 General Selection Process

Contracts will be awarded in accordance with the competitive sealed proposals process under COMAR 21.05.03. The competitive sealed proposals method is based on discussions and revision of proposals during these discussions.

Accordingly, the State may hold discussions with all Offerors judged reasonably susceptible of being selected for award, or potentially so. However, the State also reserves the right to make an award without holding discussions. In either case of holding discussions or not doing so, the State may determine an Offeror to be not responsible and/or an Offeror's proposal to be not reasonably susceptible of being selected for award, at any time after the initial closing date for receipt of proposals and the review of those proposals. If the State finds an Offeror to be not responsible and/or an Offeror's Technical Proposal to be not reasonably susceptible of being selected for award, an Offeror's Financial Proposal will be returned unopened.

5.5.2 Selection Process Sequence

- The first step in the process will be an evaluation for technical merit. During this review, oral presentations and discussions may be held. The purpose of such discussions will be to assure a full understanding of the State's requirements and the Offerors ability to perform, and to facilitate arrival at a Contract that will be most advantageous to the State. For scheduling purposes, Offerors should be prepared to make an oral presentation and participate in discussions within two weeks of the delivery of proposals to the State. The Procurement Officer will contact Offerors when the schedule is set by the State.
- Offerors shall confirm in writing any substantive oral clarification of, or change in, their proposals made in the course of discussions. Any such written clarification or change then becomes part of the Offerors proposal.
- The Financial Proposal of each qualified Offeror will be evaluated separately from the technical evaluation. After a review of the Financial Proposals of qualified Offerors, the Procurement Officer may again conduct discussions to further evaluate the Offerors entire proposal.
- When in the best interest of the State, the Procurement Officer may permit Offerors who have submitted acceptable proposals to revise their initial proposals and submit, in writing, best and final offers (BAFOs).

5.6 Award Determination

Upon completion of all discussions and negotiations, reference checks, and other record communications, the Procurement Officer will recommend award of the Contracts to the responsible Offeror in each Service Category whose proposal is determined to be the most advantageous to the State considering technical evaluation factors and price factors as set forth in this RFP. In making the most advantageous Offeror determination, technical factors will have equal weight to price factors.

The final award approval will be made by the Board of Public Works.

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ATTACHMENTS

ATTACHMENT A – The State’s Contract. It is provided with the RFP for informational purposes and is not required at proposal submission time. However, it shall be completed, signed and returned by the selected Offeror to the Procurement Officer within 5 working days of notification of proposed Contract award.

ATTACHMENT B – Bid/Proposal Affidavit. This form shall be completed and submitted with the Offerors Technical Proposal.

ATTACHMENT C – Contract Affidavit. This Affidavit is not required at proposal submission time. It shall be submitted by the selected Offeror to the Procurement Officer within 5 working days of notification of proposed award.

ATTACHMENT D – MBE Forms and Instructions. The Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D-1) shall be completed and submitted with the Offeror’s technical proposal. The Outreach Efforts Compliance Statement (Attachment D-2) and Subcontractor Project Participation Statement (Attachment D-3) shall be submitted as described in the attachment.

ATTACHMENT E – Financial Proposal Instructions and Form. The Financial Proposal Form shall be completed and submitted as the Financial Proposal.

ATTACHMENT F – Electronic Funds Transfer (EFT) Registration Request Form

ATTACHMENT G –Officer’s Checklist

ATTACHMENT H – Pre-Proposal Conference Response Form. It is requested that this form be completed and submitted as described in RFP Section 1.3 by those potential Offerors who plan on attending the conference.

ATTACHMENT I – Non-Disclosure Agreement for the Offeror to obtain demographic data which will help in pricing and building a proposal.

ATTACHMENT J – Living Wage Requirements for Service Contracts. This attachment explains the main features of the legislation and the requirements that Contractors must meet.

ATTACHMENT K – Living Wage Affidavit of Agreement. This form shall be completed and submitted with the Offerors Technical Proposal.

ATTACHMENT L – Performance Guarantees and Liquidated Damages.

ATTACHMENT A – CONTRACT

THIS CONTRACT is made this _____ day of _____, 2013 by and between _____ and the State of Maryland, acting through the Department of Budget and Management.

IN CONSIDERATION of the promises and the covenants contained herein, the adequacy and sufficiency of which is duly acknowledged by the parties, the parties agree as follows:

1. Definitions

In this Contract, the following words have the meanings indicated:

1.1 “Contract” means this Contract for [Group Term Life] [Personal Accident and Dismemberment] Insurance Service.

1.4 “Contractor” means _____, a _____ whose principal business address is _____.

1.5 “Contract Manager” means the individual identified in section 1.8 of the RFP or a successor designated by the Department.

1.6 “Department” means the Maryland Department of Budget and Management.

1.7 “Financial Proposal” means the Contractor’s Financial Proposal dated _____, as supplemented and revised by the best and final offer dated _____.

1.8 “Procurement Officer” means the individual identified in section 1.7 of the RFP or a successor designated by the Department.

1.9 “RFP” means the Request for Proposals for Group Term Life and Personal Accident & Dismemberment Insurance Services, No. _____, dated _____.

1.10 “State” means the State of Maryland.

1.11 “Technical Proposal” means the Contractor’s Technical Proposal, dated _____ as supplemented and revised by the Contractor’s _____.

2. Scope of Work

2.1 The Contractor shall provide [group term life] [personal accident and Dismemberment] insurance coverage and administration services. These services shall be provided in accordance with this Contract and the following exhibits, which are attached and incorporated herein by reference:

Exhibit A – The RFP.

Exhibit B – The Technical Proposal.

Exhibit C – The Financial Proposal. and

Exhibit D – Contract Affidavit, executed by the Contractor and dated _____

- 2.2 If there are any inconsistencies between this Contract and Exhibits A, B, C, and D, the terms of this Contract shall control. If there is any conflict among the Exhibits, Exhibit A shall control.
- 2.3 The Procurement Officer may, at any time, by written order, make changes in the work within the general scope of the Contract. No other order, statement or conduct of the Procurement Officer or any other person shall be treated as a change or entitle the Contractor to an equitable adjustment under this section. Except as otherwise provided in this Contract, if any change under this section causes an increase or decrease in the Contractor's cost of, or the time required for, the performance of any part of the work, whether or not changed by the order, an equitable adjustment in the Contract price shall be made and the Contract modified in writing accordingly. The Contractor must assert in writing its right to an adjustment under this section within thirty (30) days of receipt of written change order and shall include a written statement setting forth the nature and cost of such claim. No claim by the Contractor shall be allowed if asserted after final payment under this Contract. Failure to agree to an adjustment under this section shall be a dispute under the Disputes clause of this Contract. Nothing in this section shall excuse the Contractor from proceeding with the Contract as changed.

3. Time for Performance.

Unless terminated earlier as provided in this Contract, the term of this Contract shall begin on or about February 1, 2013 and shall end on June 30, 2018. The Contractor shall provide insurance coverage beginning July 1, 2013. The Contractor's obligations as insurer with respect to covered losses and claims arising during a period of coverage shall survive the expiration of this Contract.

4. Consideration and Payment

- 4.1 Payment to the Contractor pursuant to this Contract shall be at the premium rates provided in the Financial Proposal for insurance coverage. The Contractor shall not receive any other payment for implementation and administrative services.
- 4.2 Invoices must be provided in the format and on the schedule identified in the RFP. Each invoice must reflect the Contractor's federal tax identification number, which is _____. The Contractor's eMarylandMarketplace identification number is _____. Payments to the Contractor pursuant to this Contract shall be made no later than 30 days after the State's receipt of a proper invoice from the Contractor. Charges for late payment of invoices, other than as prescribed by Title 15, Subtitle 1, of the State Finance and Procurement Article, Annotated Code of Maryland, are prohibited. The final payment under this Contract will not be made until after certification is received from the Comptroller of the State that all taxes have been paid.
- 4.3 In addition to any other available remedies, if, in the opinion of the Procurement Officer, the Contractor fails to perform in a satisfactory and timely manner, the Procurement Officer may refuse or limit approval of any invoice for payment, and may cause payments to the Contractor to be reduced or withheld until such time as the Contractor meets performance standards as established by the Procurement Officer.
- 4.4 Electronic funds transfer will be used by the State to pay the Contractor for this contract and any other State payments due Contractor unless the State's Comptroller's Office grants the Contractor an exemption.

5. Rights to Records

- 5.1 The Contractor agrees that all documents and materials, including but not limited to, reports, drawings, studies, specifications, estimates, tests, maps, photographs, designs, software, graphics, mechanical, artwork, computations and data prepared by the Contractor for purposes of this Contract shall be the sole property of the Department and shall be available to the Department at any time. The Department shall have the right to use the same without restriction and without compensation to the Contractor other than that specifically provided by this Contract.
- 5.2 The Contractor agrees that at all times during the term of this Contract and thereafter, the works created and services performed under this Contract shall be “works made for hire” as that term is interpreted under U.S. copyright law. To the extent that any products created under this Contract are not works for hire for the Department, the Contractor hereby relinquishes, transfers, and assigns to the State all of its rights, title, and interest (including all intellectual property rights) to all such products created under this Contract, and will cooperate reasonably with the State in effectuating and registering any necessary assignments.
- 5.3 The Contractor shall report to the Department, promptly and in written detail, each notice or claim of copyright infringement received by the Contractor with respect to all data delivered under this Contract.
- 5.4 The Contractor shall not affix any restrictive markings upon any data and if such markings are affixed, the Department shall have the right at any time to modify, remove, obliterate, or ignore such warnings.

6. Confidentiality

Subject to the Maryland Public Information Act and any other applicable laws, all confidential or proprietary information and documentation relating to either party (including without limitation, any information or data stored within the Contractor’s computer systems) shall be held in absolute confidence by the other party. Each party shall, however, be permitted to disclose relevant confidential information to its officers, agents and employees to the extent that such disclosure is necessary for the performance of their duties under this Contract, provided the data may be collected, used, disclosed, stored and disseminated only as provided by and consistent with the law. The provisions of this section shall not apply to information that (a) is lawfully in the public domain; (b) has been independently developed by the other party without violation of this Contract; (c) was already in the possession of such party; (d) was supplied to such party by a third party lawfully in possession thereof and legally permitted to further disclose the information; or (e) which such party is required to disclose by law.

any time to modify, remove, obliterate, or ignore such warnings.

7. Exclusive Use

The State shall have the exclusive right to use, duplicate, and disclose any data, information, documents, records, or results, in whole or in part, in any manner for any purpose whatsoever, that may be created or generated by the Contractor in connection with this Contract. If any material, including software, is capable of being copyrighted, the State shall be the copyright owner and Contractor may copyright material connected with this project only with the express prior written approval of the State.

8. Patents, Copyrights, Intellectual Property

- 8.1 If the Contractor furnishes any design, device, material, process, or other item, which is covered by a patent, trademark or service mark, or copyright or which is proprietary to or a trade secret of

another, the Contractor shall obtain the necessary permission or license to permit the State to use such item or items.

8.2 The Contractor will defend or settle, at its own expense, any claim or suit against the State alleging that any such item furnished by the Contractor infringes any patent, trademark, service mark, copyright, or trade secret. If a third party claims that a product infringes that party's patent, trademark, service mark, trade secret, or copyright, the Contractor will defend the State against that claim at Contractor's expense and will pay all damages, costs and attorney fees that a court finally awards, provided the State (i) promptly notifies the Contractor in writing of the claim; and (ii) allows Contractor to control and cooperates with Contractor in, the defense and any related settlement negotiations. The obligations of this paragraph are in addition to those stated in Section 7.3 below.

8.3 If any products furnished by the Contractor become, or in the Contractor's opinion are likely to become, the subject of a claim of infringement, the Contractor will, at its option and expense: a) procure for the State the right to continue using the applicable item, b) replace the product with a non-infringing product substantially complying with the item's specifications, or c) modify the item so that it becomes non-infringing and performs in a substantially similar manner to the original item.

9. Non-Hiring of Employees

No official or employee of the State of Maryland or any unit thereof, as those terms are defined under State Government Article, §15-102, Annotated Code of Maryland, whose duties as such official or employee include matters relating to or affecting the subject matter of this Contract, shall during the pendency and term of this Contract and while serving as an official or employee of the State shall become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

10. Disputes

This Contract shall be subject to the provisions of Title 15, Subtitle 2, of the State Finance and Procurement Article of the Annotated Code of Maryland, as from time to time amended, and COMAR 21.10 (Administrative and Civil Remedies). Pending resolution of a claim, the Contractor shall proceed diligently with the performance of the Contract in accordance with the Procurement Officer's decision. Unless a lesser period is provided by applicable statute, regulation, or the Contract, the Contractor must file a written notice of claim with the Procurement Officer within 30 days after the basis for the claim is known or should have been known, whichever is earlier. Contemporaneously with or within 30 days of the filing of a notice of claim, but no later than the date of final payment under the Contract, the Contractor must submit to the Procurement Officer its written claim containing the information specified in COMAR 21.10.04.02.

11. Loss of Data

In the event of loss of any State data or records where such loss is due to the intentional act or omission or negligence of the Contractor or any of its subcontractors or agents, the Contractor shall be responsible for recreating such lost data in the manner and on the schedule set by the Contract Administrator. The Contractor shall ensure that all data is backed up and recoverable by the Contractor. Contractor shall use its best efforts to assure that at no time shall any actions undertaken by the Contractor under this Contract (or any failures to act when Contractor has a duty to act) damage or create any vulnerabilities in data bases, systems, platforms and/or applications with which the Contractor is working hereunder.

12. Maryland Law

12.1 This Contract shall be construed, interpreted, and enforced according to the laws of the State of Maryland.

12.2 The insurance coverage provided pursuant to this Contract shall be compliant with Maryland law.

13. Nondiscrimination in Employment

The Contractor agrees: (a) not to discriminate in any manner against an employee or applicant for employment because of race, color, religion, creed, age, sex, marital status, national origin, ancestry, sexual orientation, or disability of a qualified person with a disability; (b) to include a provision similar to that contained in subsection (a), above, in any underlying subcontract except a subcontract for standard commercial supplies or raw materials; and (c) to post and to cause subcontractors to post in conspicuous places available to employees and applicants for employment, notices setting forth the substance of this clause.

14. Contingent Fee Prohibition

The Contractor warrants that it has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee or bona fide agent working for the Contractor to solicit or secure this Contract, and that it has not paid or agreed to pay any person, partnership, corporation or other entity, other than a bona fide employee or bone fide agent, any fee or other consideration contingent on the making of this Contract.

15. Non-availability of Funding

If the General Assembly fails to appropriate funds or if funds are not otherwise made available for continued performance for any fiscal period of this Contract succeeding the first fiscal period, this Contract shall be canceled automatically as of the beginning of the fiscal year for which funds were not appropriated or otherwise made available; provided, however, that this will not affect either the State's rights or the Contractor's rights under any termination clause in this Contract. The effect of termination of the Contract hereunder will be to discharge both the Contractor and the State of Maryland from future performance of the Contract, but not from their rights and obligations existing at the time of termination. The Contractor shall be reimbursed for the reasonable value of any nonrecurring costs incurred but not amortized in the price of the Contract. The State shall notify the Contractor as soon as it has knowledge that funds may not be available for the continuation of the Contract for each succeeding fiscal period beyond the first.

16. Termination for Cause

If the Contractor fails to fulfill its obligations under this Contract properly and on time, or otherwise violates any provision of the Contract, the State may terminate the Contract by written notice to the Contractor. The notice shall specify the acts or omissions relied upon as cause for termination. All finished or unfinished work provided by the Contractor shall, at the State's option, become the State's property. The State of Maryland shall pay the Contractor fair and equitable compensation for satisfactory performance prior to receipt of notice of termination, less the amount of damages caused by the Contractor's breach. If the damages are more than the compensation payable to the Contractor, the Contractor will remain liable after termination and the State can affirmatively collect damages. Termination hereunder, including the termination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.11B.

17. Termination for Convenience

The performance of work under this Contract may be terminated by the State in accordance with this clause in whole, or from time to time in part, whenever the State shall determine that such termination is in the best interest of the State. The State will pay all reasonable costs associated with this Contract that the Contractor has incurred up to the date of termination, and all reasonable costs associated with termination of the Contract. However, the Contractor shall not be reimbursed for any anticipatory profits that have not been earned up to the date of termination. Termination hereunder, including the determination of the rights and obligations of the parties, shall be governed by the provisions of COMAR 21.07.01.12 (A)(2).

18. Delays and Extensions of Time

The Contractor agrees to perform this Contract continuously and diligently. No charges or claims for damages shall be made by the Contractor for any delays or hindrances from any cause whatsoever during the progress of any portion of the work specified in this Contract. Time extensions will be granted only for excusable delays that arise from unforeseeable causes beyond the control and without the fault or negligence of the Contractor, including but not restricted to acts of God, acts of the public enemy, acts of the State in either its sovereign or contractual capacity, acts of another Contractor in the performance of a contract with the State, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, or delays of subcontractors or suppliers arising from unforeseeable causes beyond the control and without the fault or negligence of either the Contractor or the subcontractors or suppliers.

19. Suspension of Work

The Procurement Officer unilaterally may order the Contractor in writing to suspend, delay, or interrupt all or any part of its performance for such period of time as the Procurement Officer may determine to be appropriate for the convenience of the State.

20. Pre-Existing Regulations

In accordance with the provisions of Section 11-206 of the State Finance and Procurement Article, Annotated Code of Maryland, the regulations set forth in Title 21 of the Code of Maryland Regulations (COMAR 21) in effect on the date of execution of this Contract are applicable to this Contract.

21. Financial Disclosure

The Contractor shall comply with the provisions of Section 13-221 of the State Finance and Procurement Article of the Annotated Code of Maryland, as from time to time amended, which requires that every business that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more, shall, within 30 days of the time when the aggregate value of these contracts, leases or other agreements reaches \$100,000, file with the Secretary of the State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

22. Political Contribution Disclosure

The Contractor shall comply with the provisions of Article 33, Sections 14-101 through 14-108 of the Annotated Code of Maryland, which require that every person that enters into contracts, leases, or other agreements with the State of Maryland, a county or an incorporated municipality or their agencies, during a calendar year under which the person receives in the aggregate \$100,000 or more, shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting

period to a candidate for elective office in any primary or general election. The statement shall be filed with the State Board of Elections: (1) before a purchase or execution of a lease or contract by the State, a county, an incorporated municipality, or their agencies, and shall cover the preceding two calendar years; and (2) if the contribution is made after the execution of a lease or contract, then twice a year, throughout the contract term, on: (a) February 5, to cover the 6-month period ending January 31; and (b) August 5, to cover the 6-month period ending July 31.

23. Retention of Records.

The Contractor shall retain and maintain all records and documents in any way relating to this Contract for three years after final payment by the State of Maryland under this Contract or any applicable statute of limitations, whichever is longer, and shall make them available for inspection and audit by authorized representatives of the State, including the Procurement Officer or the Procurement Officer's designee, at all reasonable times. All records related in any way to the Contract are to be retained for the entire time provided under this section. This provision shall survive expiration of the Contract.

24. Compliance with Laws.

The Contractor hereby represents and warrants that:

- A. It is qualified to do business in the State of Maryland and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;
- B. It is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;
- C. It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract; and,
- D. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

25. Cost and Price Certification

By submitting cost or price information, the Contractor certifies to the best of its knowledge that the information submitted is accurate, complete, and current as of the date of its bid or offer.

The price under this Contract and any change order or modification hereunder, including profit or fee, shall be adjusted to exclude any significant price increases occurring because the Contractor furnished cost or price information which, as of the date of its bid or offer, was inaccurate, incomplete, or not current.

26. Living Wage

- 26.1 A State contract for services valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement (SFP) Article, Annotated Code of Maryland. This contract has been deemed to be a Tier 1 contract.
- 26.2 Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least \$12.49 per hour, if State contract services valued at 50% or more of the total value of the contract is performed in the Tier 1 Area. If State contract services valued at 50% or more of the

total contract value is performed in the Tier 2 Area, an Offeror shall pay each covered employee at least \$9.39 per hour.

- 26.3 The Contractor shall comply with Title 18, State Finance and Procurement Article, Annotated Code of Maryland, including the submission of payroll reports to the Commissioner of Labor and Industry and the posting in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.
- 26.4 The Contractor shall make any subcontractor on this Contract aware of the Living Wage law requirements.

27. Commercial Non-Discrimination

- 27.1 As a condition of entering into this Contract, the Contractor represents and warrants that it will comply with the State's Commercial Nondiscrimination Policy, as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland. As part of such compliance, the Contractor may not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring, or commercial treatment of subcontractors, vendors, suppliers, or commercial customers, nor shall Contractor retaliate against any person for reporting instances of such discrimination. The Contractor shall provide equal opportunity for subcontractors, vendors, and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that this clause does not prohibit or limit lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the marketplace. The Contractor understands that a material violation of this clause shall be considered a material breach of this Contract and may result in termination of this Contract, disqualification of the Contractor from participating in State contracts, or other sanctions. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.
- 27.2 The Contractor shall include the above Commercial Nondiscrimination clause, or similar clause approved by DBM, in all subcontracts.
- 27.3 As a condition of entering into this Contract, upon the Maryland Human Relations Commission's request, and only after the filing of a complaint against Contractor under Title 19 of the State Finance and Procurement Article, as amended from time to time, Contractor agrees to provide within 60 days after the request a complete list of the names of all subcontractors, vendors, and suppliers that Contractor has used in the past 4 years on any of its contracts that were undertaken within the state of Maryland, including the total dollar amount paid by Contractor on each subcontract or supply contract. Contractor further agrees to cooperate in any investigation conducted by the State pursuant to the State's Commercial Nondiscrimination Policy as set forth under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland, and to provide any documents relevant to any investigation that are requested by the State. Contractor understands that violation of this clause is a material breach of this Contract and may result in contract termination, disqualification by the State from participating in State contracts, and other sanctions.

28. Representations and Warranties

The Contractor hereby represents and warrants that:

- A. It is qualified to do business in the State and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;
- B. It is not in arrears with respect to the payment of any monies due and owing the State, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Contract;
- C. It shall comply with all federal, State and local laws, regulations, and ordinances applicable to its activities and obligations under this Contract; and,
- D. It shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Contract.

29. Subcontracting; Assignment

The Contractor may not subcontract any portion of the services provided under this Contract without obtaining the prior written approval of the State of Maryland, nor may the Contractor assign this Contract or any of its rights or obligations hereunder, without the prior written approval of the State. Any such subcontract or assignment shall include the terms of sections 5 through 7, and 9 through 24 of this Contract and any other terms and conditions that the State deems necessary to protect its interests. The State shall not be responsible for the fulfillment of the Contractor’s obligations to the subcontractors.

30. Indemnification

- 30.1 The Contractor shall indemnify the State against liability for any costs, expenses, loss, suits, actions, or claims of any character arising from or relating to the performance of the Contractor or its subcontractors under this Contract.
- 30.2 The State of Maryland has no obligation to provide legal counsel or defense to the Contractor or its subcontractors in the event that a suit, claim or action of any character is brought by any person not party to this Contract against the Contractor or its subcontractors as a result of or relating to the Contractor’s obligations under this Contract.
- 30.3 The State has no obligation for the payment of any judgments or the settlement of any claims against the Contractor or its subcontractors as a result of or relating to the Contractor’s obligations under this Contract.
- 30.4 The Contractor shall immediately notify the Procurement Officer of any claim or suit made or filed against the Contractor or its subcontractors regarding any matter resulting from or relating to the Contractor’s obligations under the Contract, and will cooperate, assist, and consult with the State in the defense or investigation of any claim, suit, or action made or filed against the State as a result of or relating to the Contractor’s performance under this Contract.

31. Prompt Pay Requirements

- 31.1 If a contractor withholds payment of an undisputed amount to its subcontractor, the Agency, at its option and in its sole discretion, may take one or more of the following actions:
 - 31.1.1 Not process further payments to the contractor until payment to the subcontractor is verified;
 - 31.1.2 Suspend all or some of the contract work without affecting the completion date(s) for the contract work;

- 31.1.3 Pay or cause payment of the undisputed amount to the subcontractor from monies otherwise due or that may become due;
- 31.1.4 Place a payment for an undisputed amount in an interest-bearing escrow account; or
- 31.1.5 Take other or further actions as appropriate to resolve the withheld payment.
- 31.2. An “undisputed amount” means an amount owed by a contractor to a subcontractor for which there is no good faith dispute, including any retainage withheld, and includes an amount withheld because of issues arising out of an agreement or occurrence unrelated to the agreement under which the amount is withheld.
- 31.3. An act, failure to act, or decision of a procurement officer or a representative of the Agency, concerning a withheld payment between a contractor and subcontractor under this policy directive, may not:
 - 31.3.1 Affect the rights of the contracting parties under any other provision of law;
 - 31.3.2 Be used as evidence on the merits of a dispute between the Agency and the contractor in any other proceeding; or
 - 31.3.3 Result in liability against or prejudice the rights of the Agency.
- 31.4. The remedies enumerated above are in addition to those provided under COMAR 21.11.03.13 with respect to subcontractors that have contracted pursuant to the Minority Business Enterprise program.
- 31.5. To ensure compliance with certified MBE subcontract participation goals, the Agency may, consistent with COMAR 21.11.03.13, take the following measures:
 - 31.5.1 Verify that the certified MBEs listed in the MBE participation schedule actually are performing work and receiving compensation as set forth in the MBE participation schedule.
 - 31.5.2 This verification may include, as appropriate:
 - 31.5.2.1 Inspecting any relevant records of the contractor;
 - 31.5.2.2 Inspecting the jobsite; and
 - 31.5.2.3 Interviewing subcontractors and workers.
 - 31.5.2.4 Verification shall include a review of:
 - 31.5.2.4.1 The contractor’s monthly report listing unpaid invoices over 30 days old from certified MBE subcontractors and the reason for nonpayment; and
 - 31.5.2.4.2 The monthly report of each certified MBE subcontractor, which lists payments received from the contractor in the preceding 30 days and invoices for which the subcontractor has not been paid.
 - 31.5.3 If the Agency determines that a contractor is in noncompliance with certified MBE participation goals, then the Agency will notify the contractor in writing of its findings, and will require the contractor to take appropriate corrective action.
 - 31.5.3.1 Corrective action may include, but is not limited to, requiring the contractor to compensate the MBE for work performed as set forth in the MBE participation schedule.

31.5.4 If the Agency determines that a contractor is in material noncompliance with MBE contract provisions and refuses or fails to take the corrective action that the Agency requires, then the Agency may:

31.5.4.1 Terminate the contract;

31.5.4.2 Refer the matter to the Office of the Attorney General for appropriate action; or

31.5.4.3 Initiate any other specific remedy identified by the contract, including the contractual remedies required by this Directive regarding the payment of undisputed amounts.

31.5.5 Upon completion of the contract, but before final payment or release of retainage or both, the contractor shall submit a final report, in affidavit form under the penalty of perjury, of all payments made to, or withheld from MBE subcontractors.

32. Parent Company Guarantee (If Applicable)

[Corporate name of Parent Company] hereby guarantees absolutely the full, prompt and complete performance by "[Contractor]" of all the terms, conditions and obligations contained in this Contract, as it may be amended from time to time, including any and all exhibits that are now or may become incorporated hereunto, and other obligations of every nature and kind that now or may in the future arise out of or in connection with this Contract, including any and all financial commitments, obligations and liabilities. "[Corporate name of Parent Company]" may not transfer this absolute guaranty to any other person or entity without the prior express written approval of the State, which approval the State may grant, withhold, or qualify in its sole and absolute subjective discretion. "[Corporate name of Parent Company]" further agrees that if the State brings any claim, action, suit or proceeding against "[Contractor]", "[Corporate name of Parent Company]" may be named as a party, in its capacity as Absolute Guarantor.

33. Liquidated Damages

Time is an essential element of the Contract and it is critical that the services as specified in the RFP Section 3 be maintained in accordance with the terms and conditions provided in the RFP and herein and that the Contractor operates in an extremely reliable manner. In the event the Contractor fails to comply with such terms, the Contractor shall be liable for liquidated damages in the amount(s) and as provided for in the RFP.

34. Administrative

34.1 **Procurement Officer.** The day-to-day work to be accomplished under this Contract shall be performed under the direction of the Contract Manager and, as appropriate, the Procurement Officer. All matters relating to the interpretation of this Contract shall be referred to the Procurement Officer for determination.

34.2 **Notices.** All notices hereunder shall be in writing and either delivered personally or sent by certified or registered mail, postage prepaid as follows:

If to the State:

Anne Timmons
Director, Employee Benefits Division
State of Maryland
301 W. Preston Street, Room 510
Baltimore, MD 21201

With a copy to:
Michael Howard
Procurement Officer
Department of Budget and Management
Room 142
45 Calvert Street
Annapolis, Maryland 21401
If to the Contractor:

IN WITNESS THEREOF, the parties have executed this Contract as of the date hereinabove set forth.

CONTRACTOR

STATE OF MARYLAND
BY: DEPARTMENT OF BUDGET AND
MANAGEMENT

By:

By: T. Eloise Foster, Secretary

Date

Date

Witness

Witness

Approved for form and legal
sufficiency this ____ day _____, 2013.

Assistant Attorney General

APPROVED BY BPW: _____
(Date) (BPW Item #)

ATTACHMENT B – BID/PROPOSAL AFFIDAVIT

A. AUTHORITY

I HEREBY AFFIRM THAT:

I hereby affirm that I, _____ (name of affiant) am the _____ (title) and duly authorized representative of _____ (name of business entity) and that I possess the legal authority to make this affidavit on behalf of the business for which I am acting.

B. CERTIFICATION REGARDING COMMERCIAL NONDISCRIMINATION

The undersigned bidder hereby certifies and agrees that the following information is correct: In preparing its bid on this project, the bidder has considered all proposals submitted from qualified, potential subcontractors and suppliers, and has not engaged in "discrimination" as defined in §19-103 of the State Finance and Procurement Article of the Annotated Code of Maryland. "Discrimination" means any disadvantage, difference, distinction, or preference in the solicitation, selection, hiring, or commercial treatment of a vendor, subcontractor, or commercial customer on the basis of race, color, religion, ancestry, or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or any otherwise unlawful use of characteristics regarding the vendor's, supplier's, or commercial customer's employees or owners. "Discrimination" also includes retaliating against any person or other entity for reporting any incident of "discrimination". Without limiting any other provision of the solicitation on this project, it is understood that, if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid. As part of its bid or proposal, the bidder herewith submits a list of all instances within the past 4 years where there has been a final adjudicated determination in a legal or administrative proceeding in the State of Maryland that the bidder discriminated against subcontractors, vendors, suppliers, or commercial customers, and a description of the status or resolution of that determination, including any remedial action taken. Bidder agrees to comply in all respects with the State's Commercial Nondiscrimination Policy as described under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland.

B-1. CERTIFICATION REGARDING MINORITY BUSINESS ENTERPRISES.

The undersigned bidder hereby certifies and agrees that it has fully complied with the State Minority Business Enterprise Law, State Finance and Procurement Article, §14-308(a)(2), Annotated Code of Maryland, which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a bid or proposal and:

- (1) Fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority proposal;
- (2) Fail to notify the certified minority business enterprise before execution of the contract of its inclusion in the bid or proposal;
- (3) Fail to use the certified minority business enterprise in the performance of the contract; or
- (4) Pay the certified minority business enterprise solely for the use of its name in the bid or proposal.

Without limiting any other provision of the solicitation on this project, it is understood that if the certification is false, such false certification constitutes grounds for the State to reject the bid submitted by the bidder on this project, and terminate any contract awarded based on the bid.

C. AFFIRMATION REGARDING BRIBERY CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business (as is defined in Section 16-101(b) of the State Finance and Procurement Article of the Annotated Code of Maryland), or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies has been convicted of, or has had probation before judgment imposed pursuant to Criminal Procedure Article, §6-220, Annotated Code of Maryland, or has pleaded nolo contendere to a charge of, bribery, attempted bribery, or conspiracy to bribe in violation of Maryland law, or of the law of any other state or federal law, except as follows (indicate the reasons why the affirmation cannot be given and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of person(s) involved, and their current positions and responsibilities with the business):

D. AFFIRMATION REGARDING OTHER CONVICTIONS

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities including obtaining or performing contracts with public bodies, has:

- (1) Been convicted under state or federal statute of:
 - (a) A criminal offense incident to obtaining, attempting to obtain, or performing a public or private contract; or
 - (b) Fraud, embezzlement, theft, forgery, falsification or destruction of records or receiving stolen property;
- (2) Been convicted of any criminal violation of a state or federal antitrust statute;
- (3) Been convicted under the provisions of Title 18 of the United States Code for violation of the Racketeer Influenced and Corrupt Organization Act, 18 U.S.C. §1961 et seq., or the Mail Fraud Act, 18 U.S.C. §1341 et seq., for acts in connection with the submission of bids or proposals for a public or private contract;

(4) Been convicted of a violation of the State Minority Business Enterprise Law, §14-308 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(5) Been convicted of a violation of §11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland;

(6) Been convicted of conspiracy to commit any act or omission that would constitute grounds for conviction or liability under any law or statute described in subsections (1)—(5) above;

(7) Been found civilly liable under a state or federal antitrust statute for acts or omissions in connection with the submission of bids or proposals for a public or private contract;

(8) Been found in a final adjudicated decision to have violated the Commercial Nondiscrimination Policy under Title 19 of the State Finance and Procurement Article of the Annotated Code of Maryland with regard to a public or private contract; or

(9) Admitted in writing or under oath, during the course of an official investigation or other proceedings, acts or omissions that would constitute grounds for conviction or liability under any law or statute described in §§B and C and subsections D(1)—(8) above, except as follows (indicate reasons why the affirmations cannot be given, and list any conviction, plea, or imposition of probation before judgment with the date, court, official or administrative body, the sentence or disposition, the name(s) of the person(s) involved and their current positions and responsibilities with the business, and the status of any debarment):

E. AFFIRMATION REGARDING DEBARMENT

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, or any of its officers, directors, partners, controlling stockholders, or any of its employees directly involved in the business's contracting activities, including obtaining or performing contracts with public bodies, has ever been suspended or debarred (including being issued a limited denial of participation) by any public entity, except as follows (list each debarment or suspension providing the dates of the suspension or debarment, the name of the public entity and the status of the proceedings, the name(s) of the person(s) involved and their current positions and responsibilities with the business, the grounds of the debarment or suspension, and the details of each person's involvement in any activity that formed the grounds of the debarment or suspension).

F. AFFIRMATION REGARDING DEBARMENT OF RELATED ENTITIES

I FURTHER AFFIRM THAT:

(1) The business was not established and it does not operate in a manner designed to evade the application of or defeat the purpose of debarment pursuant to Sections 16-101, et seq., of the State Finance and Procurement Article of the Annotated Code of Maryland; and

(2) The business is not a successor, assignee, subsidiary, or affiliate of a suspended or debarred business, except as follows (you must indicate the reasons why the affirmations cannot be given without qualification):

_____.

G. SUB-CONTRACT AFFIRMATION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business, has knowingly entered into a contract with a public body under which a person debarred or suspended under Title 16 of the State Finance and Procurement Article of the Annotated Code of Maryland will provide, directly or indirectly, supplies, services, architectural services, construction related services, leases of real property, or construction.

H. AFFIRMATION REGARDING COLLUSION

I FURTHER AFFIRM THAT:

Neither I, nor to the best of my knowledge, information, and belief, the above business has:

(1) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in the compilation of the accompanying bid or offer that is being submitted;

(2) In any manner, directly or indirectly, entered into any agreement of any kind to fix the bid price or price proposal of the bidder or offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with the contract for which the accompanying bid or offer is submitted.

I. CERTIFICATION OF TAX PAYMENT

I FURTHER AFFIRM THAT:

Except as validly contested, the business has paid, or has arranged for payment of, all taxes due the State of Maryland and has filed all required returns and reports with the Comptroller of the Treasury, the State Department of Assessments and Taxation, and the Department of Labor, Licensing, and Regulation, as applicable, and will have paid all withholding taxes due the State of Maryland prior to final settlement.

J. CONTINGENT FEES

I FURTHER AFFIRM THAT:

The business has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency working for the business, to solicit or secure the Contract, and that the business has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee, bona fide agent, bona fide salesperson, or commercial selling agency, any fee or any other consideration contingent on the making of the Contract.

K. ACKNOWLEDGEMENT

I ACKNOWLEDGE THAT this Affidavit is to be furnished to the Procurement Officer and may be distributed to units of: (1) the State of Maryland; (2) counties or other subdivisions of the State of Maryland; (3) other states; and (4) the federal government. I further acknowledge that this Affidavit is subject to applicable laws of the United States and the State of Maryland, both criminal and civil, and that nothing in this Affidavit or any contract resulting from the submission of this bid or proposal shall be construed to supersede, amend, modify or waive, on behalf of the State of Maryland, or any unit of the State of Maryland having jurisdiction, the exercise of any statutory right or remedy conferred by the Constitution and the laws of Maryland with respect to any misrepresentation made or any violation of the obligations, terms and covenants undertaken by the above business with respect to (1) this Affidavit, (2) the contract, and (3) other Affidavits comprising part of the contract.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: _____

By: _____ (print name of Authorized Representative and Affiant)

_____ (signature of Authorized Representative and Affiant)

ATTACHMENT C – CONTRACT AFFIDAVIT

A. AUTHORITY

I HEREBY AFFIRM THAT:

I hereby affirm that I, _____ (name of affiant) am the _____ (title) and duly authorized representative of _____ (name of business entity) and that I possess the legal authority to make this affidavit on behalf of the business for which I am acting.

B. CERTIFICATION OF REGISTRATION OR QUALIFICATION WITH THE STATE DEPARTMENT OF ASSESSMENTS AND TAXATION

I FURTHER AFFIRM THAT:

The business named above is a (check applicable box):

- (1) Corporation — domestic or foreign;
- (2) Limited Liability Company — domestic or foreign;
- (3) Partnership — domestic or foreign;
- (4) Statutory Trust — domestic or foreign;
- (5) Sole Proprietorship.

and is registered or qualified as required under Maryland Law. I further affirm that the above business is in good standing both in Maryland and (IF APPLICABLE) in the jurisdiction where it is presently organized, and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation. The name and address of its resident agent (IF APPLICABLE) filed with the State Department of Assessments and Taxation is:

Name and Department ID
Number:

Address: _____

and that if it does business under a trade name, it has filed a certificate with the State Department of Assessments and Taxation that correctly identifies that true name and address of the principal or owner as:

Name and Department ID Number: _____
Address: _____.

C. FINANCIAL DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of State Finance and Procurement Article, §13-221, Annotated Code of Maryland, which require that every business

that enters into contracts, leases, or other agreements with the State of Maryland or its agencies during a calendar year under which the business is to receive in the aggregate \$100,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases, or other agreements reaches \$100,000, file with the Secretary of State of Maryland certain specified information to include disclosure of beneficial ownership of the business.

D. POLITICAL CONTRIBUTION DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, Election Law Article, §§14-101 — 14-108, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State of Maryland, including its agencies or a political subdivision of the State, during a calendar year in which the person receives in the aggregate \$100,000 or more shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election.

E. DRUG AND ALCOHOL FREE WORKPLACE

(Applicable to all contracts unless the contract is for a law enforcement agency and the agency head or the agency head's designee has determined that application of COMAR 21.11.08 and this certification would be inappropriate in connection with the law enforcement agency's undercover operations.)

I CERTIFY THAT:

(1) Terms defined in COMAR 21.11.08 shall have the same meanings when used in this certification.

(2) By submission of its bid or offer, the business, if other than an individual, certifies and agrees that, with respect to its employees to be employed under a contract resulting from this solicitation, the business shall:

(a) Maintain a workplace free of drug and alcohol abuse during the term of the contract;

(b) Publish a statement notifying its employees that the unlawful manufacture, distribution, dispensing, possession, or use of drugs, and the abuse of drugs or alcohol is prohibited in the business' workplace and specifying the actions that will be taken against employees for violation of these prohibitions;

(c) Prohibit its employees from working under the influence of drugs or alcohol;

(d) Not hire or assign to work on the contract anyone who the business knows, or in the exercise of due diligence should know, currently abuses drugs or alcohol and is not actively engaged in a bona fide drug or alcohol abuse assistance or rehabilitation program;

(e) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if the business has observed the violation or otherwise has reliable information that a violation has occurred;

(f) Establish drug and alcohol abuse awareness programs to inform its employees about:

- The dangers of drug and alcohol abuse in the workplace;
- The business's policy of maintaining a drug and alcohol free workplace;
- (iii) Any available drug and alcohol counseling, rehabilitation, and employee assistance programs; and
- (iv) The penalties that may be imposed upon employees who abuse drugs and alcohol in the workplace;

(g) Provide all employees engaged in the performance of the contract with a copy of the statement required by §E(2)(b), above;

(h) Notify its employees in the statement required by §E(2)(b), above, that as a condition of continued employment on the contract, the employee shall:

- (i) Abide by the terms of the statement; and
- (ii) Notify the employer of any criminal drug or alcohol abuse conviction for an offense occurring in the workplace not later than 5 days after a conviction;

(i) Notify the procurement officer within 10 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;

(j) Within 30 days after receiving notice under §E(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, imposes either of the following sanctions or remedial measures on any employee who is convicted of a drug or alcohol abuse offense occurring in the workplace:

- (i) Take appropriate personnel action against an employee, up to and including termination; or
- (ii) Require an employee to satisfactorily participate in a bona fide drug or alcohol abuse assistance or rehabilitation program; and

(k) Make a good faith effort to maintain a drug and alcohol free workplace through implementation of §E(2)(a)—(j), above.

(3) If the business is an individual, the individual shall certify and agree as set forth in §E(4), below, that the individual shall not engage in the unlawful manufacture, distribution, dispensing, possession, or use of drugs or the abuse of drugs or alcohol in the performance of the contract.

(4) I acknowledge and agree that:

(a) The award of the contract is conditional upon compliance with COMAR 21.11.08 and this certification;

(b) The violation of the provisions of COMAR 21.11.08 or this certification shall be cause to suspend payments under, or terminate the contract for default under COMAR 21.07.01.11 or 21.07.03.15, as applicable; and

(c) The violation of the provisions of COMAR 21.11.08 or this certification in connection with the contract may, in the exercise of the discretion of the Board of Public Works, result in suspension and debarment of the business under COMAR 21.08.03.

F. CERTAIN AFFIRMATIONS VALID

I FURTHER AFFIRM THAT:

To the best of my knowledge, information, and belief, each of the affirmations, certifications, or acknowledgements contained in that certain Bid/Proposal Affidavit dated _____, 20____, and executed by me for the purpose of obtaining the contract to which this Exhibit is attached remains true and correct in all respects as if made as of the date of this Contract Affidavit and as if fully set forth herein.

I DO SOLEMNLY DECLARE AND AFFIRM UNDER THE PENALTIES OF PERJURY THAT THE CONTENTS OF THIS AFFIDAVIT ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE, INFORMATION, AND BELIEF.

Date: _____

By: _____ (printed name of Authorized Representative and Affiant)

_____ (signature of Authorized Representative and Affiant)

ATTACHMENT D – MINORITY BUSINESS ENTERPRISE PARTICIPATION

**STATE OF MARYLAND
DEPARTMENT OF BUDGET AND MANAGEMENT
MINORITY BUSINESS ENTERPRISE PARTICIPATION**

PURPOSE

The Contractor shall structure its procedures for the performance of the work required in this Contract to attempt to achieve the Minority Business Enterprise (MBE) goal stated in the Request for Proposals (RFP). MBE performance shall be in accordance with this Exhibit, as authorized by Minority Business Enterprise Policies as set forth by 21.11.03 of the Code of Maryland Regulations (COMAR). Accordingly, the Contractor agrees to exercise all good faith efforts to carry out the requirements set forth in this Exhibit.

To meet the goal using MBE subcontractors, all Prime Contractors shall:

- ❑ Identify work areas for subcontracting
- ❑ Solicit minority business enterprises through written notice or personal contact
- ❑ Help minority businesses meet bonding requirements or grant them a waiver of bonding requirements
- ❑ Identify their MBE subcontractors at the time they submit their bids or proposals

SEPARATE FORMS ARE REQUIRED FOR EACH SERVICE CATEGORY FOR WHICH A PROPOSAL IS SUBMITTED

MBE GOAL AND SUB GOALS

An MBE subcontract participation goal of 1% of the total contract dollar amount (premiums collected) for each Service Category has been established for this procurement. By submitting a response to this solicitation, the bidder or offeror agrees that this percentage of the administrative fees paid under the Contract will be performed by certified minority business enterprises.

A prime Contractor — including an MBE prime Contractor — shall accomplish an amount of work not less than the MBE subcontract goal with certified MBE subcontractors. (COMAR 21.11.03.09B(2))

SOLICITATION AND CONTRACT FORMATION

- ◆ A bidder or offeror must include with its bid or offer a completed *Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D-1)* whereby:
 - (1) the bidder or offeror acknowledges the certified MBE participation goal or requests a waiver, commits to making a good faith effort to achieve the goal,

and affirms that MBE subcontractors were treated fairly in the solicitation process; and

- (2) the bidder or offeror responds to the expected degree of Minority Business Enterprise participation as stated in the solicitation, by identifying the specific commitment of certified MBEs at the time of submission. The bidder or offeror shall specify the percentage of contract value associated with each MBE subcontractor identified on the MBE Participation Schedule.
- ◆ *If a bidder or offeror fails to submit a completed Attachment D-1 with the bid or offer, the Procurement Officer shall deem the bid non-responsive or shall determine that the offer is not reasonably susceptible of being selected for award.*
 - ◆ Within 10 working days from notification that it is the apparent awardee or from the date of the actual award, whichever is earlier, the apparent awardee shall provide the following documentation to the Procurement Officer:
 - (1) Outreach Efforts Compliance Statement (Attachment D-2)
 - (2) Subcontractor Project Participation Certification (Attachment D-3)
 - (3) If the apparent awardee has requested a waiver (in whole or in part) of the overall MBE goal, it shall submit a fully documented waiver request that complies with COMAR 21.11.03.11.
 - (4) Any other documentation required by the Procurement Officer to ascertain bidder or offeror responsibility in connection with the certified MBE participation goal.

NOTE: If the apparent awardee fails to return each completed document within the required time, the Procurement Officer may determine that the apparent awardee is not responsible and therefore not eligible for Contract award. If the Contract has already been awarded, the award is voidable.

MBE REPORTING INSTRUCTIONS

Prime Contractor shall:

1. Submit by the 10th of each month to the Department a Prime Contractor Paid/Unpaid MBE Invoice Report listing any unpaid invoices, over 30 days old, received from any certified MBE subcontractor, the amount of each invoice and the reason payment has not been made.
2. Include in its agreements with its certified MBE subcontractors a requirement that those subcontractors submit by the 10th of each month to the Department a Subcontractor Paid/Unpaid MBE Invoice Report that identifies the prime contract and lists all payments received from Contractor in the preceding 30 days, as well as any outstanding invoices, and the amount of those invoices.
3. Maintain such records as are necessary to confirm compliance with its MBE participation obligations. These records must indicate the identity of certified minority and non-minority subcontractors employed on the contract, the type of work performed by each, and the actual dollar value of work performed. Subcontract agreements documenting the work performed by all MBE participants must be retained by the Contractor and furnished to the Procurement Officer on request.
4. Consent to provide such documentation as reasonably requested and to provide right-of-entry at reasonable times for purposes of the State's representatives verifying compliance with the MBE participation obligations. Contractor must retain all records concerning MBE participation and make them available for State inspection for three years after final completion of the contract.
5. At the option of the procurement Department, upon completion of the contract and before final payment and/or release of retainage, submit a final report in affidavit form and under penalty of perjury, of all payments made to, or withheld from MBE subcontractors.

ATTACHMENTS

- A. Certified MBE Utilization and Fair Solicitation Affidavit – Attachment D-1 (must be submitted with bid or offer)
- B. Outreach Efforts Compliance Statement – Attachment D-2 (must be submitted within 10 working days of notification of apparent award or actual award, whichever is earlier)
- C. Subcontractor Project Participation Certification – Attachment D-3 (must be submitted within 10 working days of notification of apparent award or actual award, whichever is earlier)
- D. Prime Contractor Paid/Unpaid MBE Invoice Report – Attachment D-4 (must be submitted by the 10th of each month by the Prime Contractor)
- E. Subcontractor Paid/Unpaid MBE Invoice Report – Attachment D-5 (must be submitted by the 10th of each month by the Subcontractor)

**ATTACHMENT D-1 – CERTIFIED MBE UTILIZATION AND FAIR SOLICITATION
AFFIDAVIT**

(Submit one (1) attachment D-1 form for each Service Category proposed)

This document **MUST BE** included with the bid or offer. If the Bidder or Offeror fails to complete and submit this form with the bid or offer as required, the procurement officer shall deem the bid non-responsive or shall determine that the offer is not reasonably susceptible of being selected for award.

In conjunction with the bid or offer submitted in response to Solicitation No. F10B340001 I affirm the following:

1. I acknowledge and intend to meet the overall certified Minority Business Enterprise (MBE) participation goal of 1 percent (1%) of the total premiums collected for each Service Category.

Therefore, I will not be seeking a waiver pursuant to COMAR 21.11.03.11.

OR

I conclude that I am unable to achieve the MBE participation goal. I hereby request a waiver, in whole of the overall goal. Within 10 business days of receiving notice that our firm is the apparent awardee, I will submit all required waiver documentation in accordance with COMAR 21.11.03.11.

OR

I conclude that I am unable to achieve the entire MBE participation goal. I hereby request a partial waiver of the overall goal and have identified the portion of the MBE goal I intend to achieve through a specific commitment of the certified Minority Business Enterprises listed in the MBE Participation Schedule below. Within 10 business days of receiving notice that our firm is the apparent awardee, I will submit all required waiver documentation (for the portion I am unable to achieve) in accordance with COMAR 21.11.03.11.

2. *I understand that if I am notified that I am the apparent awardee, I must submit the following additional documentation within 10 working days of receiving notice of the potential award or from the date of conditional award (per COMAR 21.11.03.10), whichever is earlier.*

- (a) Outreach Efforts Compliance Statement (Attachment D-2)
- (b) Subcontractor Project Participation Certification (Attachment D-3)
- (c) Any other documentation, including waiver documentation, if applicable, required by the Procurement Officer to ascertain bidder or offeror responsibility in connection with the certified MBE participation goal.

I understand that if I fail to return each completed document within the required time, the Procurement Officer may determine that I am not responsible and therefore not eligible for contract award. If the contract has already been awarded, the award is voidable.

3. In the solicitation of subcontract quotations or offers, MBE subcontractors were provided not less than the same information and amount of time to respond as were non-MBE subcontractors.
4. Set forth below are the (i) certified MBEs I intend to use and (ii) the percentage of the total contract amount allocated to each MBE for this project and the items of work each MBE will provide under the contract. I hereby affirm that the MBE firms are only providing those items of work for which they are MDOT certified.

Prime Contractor: <small>(Firm Name, Address, Phone)</small>	Project Description:
Project Number:	

List Information For Each Certified MBE Subcontractor On This Project

Minority Firm Name	MBE Certification Number
<hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>	
Identify the Applicable Certification Category <i>(For Dually Certified Firms, Check Only One Certification Category)</i> <input type="checkbox"/> African American <input type="checkbox"/> Asian American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Woman-Owned <input type="checkbox"/> Other	
Percentage of Total Contract Value to be provided by this MBE: ____ % Description of Work to Be Performed:	
<hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>	
Minority Firm Name	MBE Certification Number
<hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>	
Identify the Applicable Certification Category <i>(For Dually Certified Firms, Check Only One Certification Category)</i> <input type="checkbox"/> African American <input type="checkbox"/> Asian American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Woman-Owned <input type="checkbox"/> Other	
Percentage of Total Contract Value to be provided by this MBE: ____ % Description of Work to Be Performed:	
<hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>	
Minority Firm Name	MBE Certification Number
<hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>	
Identify the Applicable Certification Category <i>(For Dually Certified Firms, Check Only One Certification Category)</i> <input type="checkbox"/> African American <input type="checkbox"/> Asian American <input type="checkbox"/> Hispanic American <input type="checkbox"/> Woman-Owned <input type="checkbox"/> Other	
Percentage of Total Contract Value to be provided by this MBE: ____ % Description of Work to Be Performed:	
<hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>	
Minority Firm Name	MBE Certification Number
<hr style="border: 0; border-top: 1px solid black; margin: 5px 0;"/>	

Identify the Applicable Certification Category (*For Dually Certified Firms, Check Only One Certification Category*)

African American Asian American Hispanic American Woman-Owned Other

Percentage of Total Contract Value to be provided by this MBE: ____ %

Description of Work to Be Performed:

Continue on a separate page, if needed.

SUMMARY

Total <i>African American</i> MBE Participation:	_____ %
Total <i>Asian American</i> MBE Participation:	_____ %
Total <i>Hispanic American</i> MBE Participation:	_____ %
Total <i>Woman-Owned</i> MBE Participation:	_____ %
Total <i>Other</i> Participation	_____ %
Total All MBE Participation:	_____ %

I solemnly affirm under the penalties of perjury that the contents of this Affidavit are true to the best of my knowledge, information, and belief.

Bidder/Offeror Name

(PLEASE PRINT OR TYPE)

Signature of Affiant

Name: _____

Title: _____

Date: _____

SUBMIT THIS AFFIDAVIT WITH BID/PROPOSAL

ATTACHMENT D-2 – OUTREACH EFFORTS COMPLIANCE STATEMENT

Complete and submit this form within 10 working days of notification of apparent award or actual award, whichever is earlier.

In conjunction with the bid or offer submitted in response to Solicitation No. **F10B3400001**. I state the following:

1. Bidder/Offeror identified opportunities to subcontract in these specific work categories:

2. Attached to this form are copies of written solicitations (with bidding instructions) used to solicit MDOT certified MBEs for these subcontract opportunities.

3. Bidder/Offeror made the following attempts to contact personally the solicited MDOT certified MBEs:

4. Select ONE of the following:
 This project does not involve bonding requirements.

OR

 Bidder/Offeror assisted MDOT certified MBEs to fulfill or seek waiver of bonding requirements (*describe efforts*).

5. Select ONE of the following:
 Bidder/Offeror did/did not attend the pre-bid/proposal conference.

OR

 No pre-bid/proposal conference was held.

Bidder/Offeror Printed Name	By:	Signature
Address		Title
City/State/Zip		Date

**ATTACHMENT D-3 – SUBCONTRACTOR PROJECT PARTICIPATION
CERTIFICATION**

*Please complete and submit one form for each MDOT certified MBE listed on Attachment D-1
within 10 working days of notification of apparent award.*

_____ (prime contractor) has entered into a contract with
_____ (subcontractor) to provide services in connection with the Solicitation
No. **F10B3400001** described below.

Prime Contractor Address and Phone	Project Description
Project Number	Total Contract Amount \$
Minority Firm Name	MBE Certification Number
Work To Be Performed	
Percentage of Total Contract	

The undersigned Prime Contractor and Subcontractor hereby certify and agree that they have fully complied with the State Minority Business Enterprise law, State Finance and Procurement Article §14-308(a)(2), Annotated Code of Maryland which provides that, except as otherwise provided by law, a contractor may not identify a certified minority business enterprise in a bid or proposal and:

- (1) fail to request, receive, or otherwise obtain authorization from the certified minority business enterprise to identify the certified minority business enterprise in its bid or proposal;
- (2) fail to notify the certified minority business enterprise before execution of the contract of its inclusion of the bid or proposal;
- (3) fail to use the certified minority business enterprise in the performance of the contract; or
- (4) pay the certified minority business enterprise solely for the use of its name in the bid or proposal.

PRIME CONTRACTOR SIGNATURE

SUBCONTRACTOR SIGNATURE

By: _____
Signature

Name, Title

Date

By: _____
Signature

Name, Title

Date

ATTACHMENT D-4 – PRIME CONTRACTOR PAID/UNPAID MBE INVOICE REPORT

This form is to be completed monthly by the prime contractor.

**Maryland Department of Budget and Management
Prime Contractor Paid/Unpaid MBE Invoice Report**

Report #: _____	Contract #:
Reporting Period (Month/Year): _____	Contracting Unit:
Report is due by the 10th of the month following the month the services were provided.	Contract Amount:
	MBE Subcontract Amt:
	Project Begin Date:
	Project End Date:

Prime Contractor:	Contact Person:
-------------------	-----------------

Address / City / State / Zip:

Phone:	FAX:
--------	------

Subcontractor Name:	Contact Person:
---------------------	-----------------

Phone:	FAX:
--------	------

Subcontractor Services Provided:

List all payments made to MBE Subcontractor named above during this reporting period:	List dates and amounts of any outstanding invoices:																														
<table border="0"> <tr> <td></td> <td align="center"><u>Invoice#</u></td> <td align="center"><u>Amount</u></td> </tr> <tr> <td>1.</td> <td></td> <td></td> </tr> <tr> <td>2.</td> <td></td> <td></td> </tr> <tr> <td>3.</td> <td></td> <td></td> </tr> <tr> <td colspan="3">Total Dollars Paid: \$ _____</td> </tr> </table>		<u>Invoice#</u>	<u>Amount</u>	1.			2.			3.			Total Dollars Paid: \$ _____			<table border="0"> <tr> <td></td> <td align="center"><u>Invoice #</u></td> <td align="center"><u>Amount</u></td> </tr> <tr> <td>1.</td> <td></td> <td></td> </tr> <tr> <td>2.</td> <td></td> <td></td> </tr> <tr> <td>3.</td> <td></td> <td></td> </tr> <tr> <td colspan="3">Total Dollars Unpaid: \$ _____</td> </tr> </table>		<u>Invoice #</u>	<u>Amount</u>	1.			2.			3.			Total Dollars Unpaid: \$ _____		
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Total Dollars Unpaid: \$ _____																															

NOTE:

- If more than one MBE Subcontractor is used for this Contract, use separate D-4 forms.
- Return one copy (hard or electronic) of this form to the following address (electronic copy with signature and date is preferred)

Thomas McLamore MBE Officer Department of Budget and Management 45 Calvert Street, Room 116 Annapolis, MD 21401 Telephone: 410.260.7663 / Fax: 410.974.3274 Email: mbeofficer@dbm.state.md.us	Jamie Tomaszewski Contract Administrator Department of Budget and Management 45 Calvert Street, Room 116 Annapolis, MD 21401 Telephone: 410.260.7663 / Fax: 410.974.3274 Email: JTomasze@dbm.state.md.us
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Signature: _____ **Date:** _____

ATTACHMENT D-5 – SUBCONTRACTOR PAID/UNPAID MBE INVOICE REPORT

This form is to be completed monthly by each MBE subcontractor.

**Maryland Department of Budget and Management
Subcontractor Paid/Unpaid MBE Invoice Report**

Report#: _____ Reporting Period (Month/Year): _____ Report is due by the 10th of the month following the month the services were performed.	Contract # _____ Contracting Unit: _____ MBE Subcontract Amount: _____ Project Begin Date: _____ Project End Date: _____ Services Provided: _____
---	--

MBE Subcontractor Name: _____	
MDOT Certification #: _____	
Contact Person: _____	
Address / City / State / Zip: _____	
Phone: _____	FAX: _____

Subcontractor Services Provided:																																									
List all payments received from Prime Contractor during reporting period indicated above. <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:50%;"></th> <th style="width:50%; text-align: center;"><u>Invoice Amt</u></th> <th style="width:50%;"></th> <th style="width:50%; text-align: center;"><u>Date</u></th> </tr> </thead> <tbody> <tr><td>1.</td><td></td><td></td><td></td></tr> <tr><td>2.</td><td></td><td></td><td></td></tr> <tr><td>3.</td><td></td><td></td><td></td></tr> <tr> <td colspan="2">Total Dollars Paid: \$ _____</td> <td colspan="2"></td> </tr> </tbody> </table>		<u>Invoice Amt</u>		<u>Date</u>	1.				2.				3.				Total Dollars Paid: \$ _____				List dates and amounts of any unpaid invoices over 30 days old. <table style="width:100%; border-collapse: collapse;"> <thead> <tr> <th style="width:50%;"></th> <th style="width:50%; text-align: center;"><u>Invoice Amt</u></th> <th style="width:50%;"></th> <th style="width:50%; text-align: center;"><u>Date</u></th> </tr> </thead> <tbody> <tr><td>1.</td><td></td><td></td><td></td></tr> <tr><td>2.</td><td></td><td></td><td></td></tr> <tr><td>3.</td><td></td><td></td><td></td></tr> <tr> <td colspan="2">Total Dollars Unpaid: \$ _____</td> <td colspan="2"></td> </tr> </tbody> </table>		<u>Invoice Amt</u>		<u>Date</u>	1.				2.				3.				Total Dollars Unpaid: \$ _____			
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1.																																									
2.																																									
3.																																									
Total Dollars Unpaid: \$ _____																																									

Prime Contractor: _____	Contact Person _____
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****Return one copy (hard or electronic) of this form to the following address (electronic copy with signature and date is preferred)**

Thomas McLamore MBE Officer Department of Budget and Management 45 Calvert Street, Room 116 Annapolis, MD 21401 Telephone: 410.260.7663 / Fax: 410.974.3274 Email: mbeofficer@dbm.state.md.us	Jamie Tomaszewski Contract Administrator Department of Budget and Management 45 Calvert Street, Room 116 Annapolis, MD 21401 Telephone: 410.260.7663 / Fax: 410.974.3274 Email: JTomasze@dbm.state.md.us
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Signature: _____ **Date:** _____

ATTACHMENT E – FINANCIAL PROPOSAL INSTRUCTIONS AND FORM

A. Instructions

In order to assist Offerors in the preparation of their Financial Proposal and to comply with the requirements of this solicitation, Price Instructions and a Financial Proposal Form have been prepared. Offerors shall submit their Financial Proposal on the form in accordance with the instructions on the form and as specified herein. Do not alter the form. The Financial Proposal Form is to be signed and dated, where requested, by an individual who is authorized to bind the Offeror to all proposed prices.

The Financial Proposal Form is used to calculate the Offeror's TOTAL PRICE PROPOSED.

- A) All Unit/Extended Prices shall be clearly entered in dollars and cents, e.g., \$24.15.
- B) All Unit Prices shall be the actual unit price the State shall pay for the proposed item per this RFP and may not be contingent on any other factor or condition.
- C) All calculations shall be rounded to the nearest cent, i.e. .344 shall be 34 and .345 shall be 35.
- D) Every blank in the Financial Proposal Form shall be filled in.
- E) Except as instructed on the Form, nothing shall be entered on the Financial Proposal Form that alters or proposes conditions or contingencies on the prices.
- F) It is imperative that the prices included on the Financial Proposal Form have been entered correctly and calculated accurately by the Offeror and that the respective total prices agree with the entries on the Financial Proposal Form. Any incorrect entries or inaccurate calculations by the Offeror will be treated as provided in COMAR 21.05.03E and 21.05.02.12.
- G) The figures on the price sheets represent projected enrollment and volumes from which to derive an evaluated price and do not represent minimum or maximum State guarantees of enrollment.
- H) Contractor(s) will be paid based on the actual premiums collected from Members enrolled in the Service Plans as of the first day of the plan year. See Section 3.4.2 for details. No other payments shall be made to the contractor under the contract resulting from this RFP.
- I) The Unit Prices (premium rates) proposed must be fully loaded and are the only compensation that the Contractor will receive under the Contract awarded. No other compensation or payment from the State or insured individuals will be permitted for services provided pursuant to the Contract. The Contractor must set premium rates to recover all of its costs and overhead as well as underwrite the risk insured.
- J) Premium rates can decrease but cannot increase during the term of the contract.

Attachment E-1: Term Life Insurance Unit Price Detail

The offeror shall provide monthly term life insurance rates per applicable unit of coverage (per \$1,000 for employees, \$1,000 for Spouses or Domestic Partners) in each age bracket indicated. A flat monthly rate per \$1,000 of coverage shall be provided for child(ren) coverage. Enrollment and utilization information is provided in the price sheet to assist Offerors with rate calculations.

For purposes of financial ranking, the State will use the "Total Premiums" as the evaluated price in order to rank Offeror's proposals in order of lowest to highest price to the State.

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**Year 1
Employees/Retirees**

Age Brackets for Employees/Retirees	# of Insured Employees/Retirees (A)	Monthly Rate per \$1,000 (B)	# of Months (C)	Volume per \$1,000 (D)	Total Amount – Year 1(E) (BxCxD)
0-29	3,333		12	206,380	
30 to 34	4,589		12	350,070	
35 to 39	5,424		12	476,230	
40 to 44	6,924		12	625,160	
45 to 49	8,046		12	661,600	
50 to 54	8,900		12	655,480	
55 to 59	9,176		12	602,500	
60 to 64	7,994		12	455,600	
64 to 69	5,304		12	214,130	
70 to 74	2,369		12	62,860	
75 to 79	926		12	14,640	
80 and older	289		12	3,260	
Totals	63,274			4,327,910	

Spouses/Domestic Partners

Age Brackets for Spouses/Domestic Partners	# of Insured Spouses/Domestic Partners (F)	Monthly Rate (per \$1,000) (G)	# of Months (H)	Volume per \$1,000 (I)	Total Amount – Year 1 (J) (GxHxI)
0-29	533		12	20,172	
30 to 34	1,342		12	54,295	
35 to 39	2,182		12	90,921	
40 to 44	3,044		12	119,916	
45 to 49	3,543		12	130,387	
50 to 54	3,797		12	120,823	
55 to 59	3,739		12	104,347	
60 to 64	3,089		12	75,990	
64 to 69	1,977		12	39,916	
70 to 74	988		12	15,208	
75 to 79	380		12	4,589	
80 and older	182		12	1,929	
Totals	24,796			778,493	

Dependent Children

# of Insured Dependent Children (I)	Dependent Monthly Rate (per \$1,000) (J)	# of Months (K)	Volume per \$1,000 (L)	Total Amount - Year 1 (M) (JxKxL)
15,596		12	342,116	

**Year 2
Employees/Retirees**

Age Brackets for Employees/Retirees	# of Insured Employees/Retirees (A)	Monthly Rate per \$1,000 (B)	# of Months (C)	Volume per \$1,000 (D)	Total Amount – Year 2(E) (BxCxD)
0-29	3,012		12	193,650	
30 to 34	4,599		12	363,150	
35 to 39	5,488		12	498,730	
40 to 44	6,895		12	644,350	
45 to 49	8,137		12	692,710	
50 to 54	9,089		12	692,870	
55 to 59	9,423		12	640,100	
60 to 64	8,374		12	493,790	
64 to 69	5,801		12	241,590	
70 to 74	2,643		12	72,240	
75 to 79	1,043		12	17,050	
80 and older	357		12	4,140	
Totals	64,861			4,554,370	

Spouses/Domestic Partners

Age Brackets for Spouses/Domestic Partners	# of Insured Spouses/Domestic Partners (F)	Monthly Rate (per \$1,000) (G)	# of Months (H)	Volume per \$1,000 (I)	Total Amount – Year 2 (J) (GxHxI)
0-29	463		12	18,154	
30 to 34	1,289		12	53,979	
35 to 39	2,149		12	92,659	
40 to 44	3,036		12	123,769	
45 to 49	3,591		12	136,783	
50 to 54	3,890		12	128,100	
55 to 59	3,854		12	111,300	
60 to 64	3,245		12	82,627	
64 to 69	2,164		12	45,143	
70 to 74	1,097		12	17,433	
75 to 79	430		12	5,377	
80 and older	210		12	2,302	
Totals	25,418			817,626	

Dependent Children

# of Insured Dependent Children (I)	Dependent Monthly Rate (per \$1,000) (J)	# of Months (K)	Volume per \$1,000 (L)	Total Amount - Year 2 (M) (JxKxL)
15,674		12	352,423	

**Year 3
Employees/Retirees**

Age Brackets for Employees/Retirees	# of Insured Employees/Retirees (A)	Monthly Rate per \$1,000 (B)	# of Months (C)	Volume per \$1,000 (D)	Total Amount – Year 3(E) (BxCxD)
0-29	2,689		12	179,520	
30 to 34	4,597		12	375,740	
35 to 39	5,547		12	521,720	
40 to 44	6,865		12	664,100	
45 to 49	8,241		12	726,320	
50 to 54	9,268		12	731,300	
55 to 59	9,660		12	678,880	
60 to 64	8,746		12	533,650	
64 to 69	6,314		12	271,360	
70 to 74	2,948		12	83,240	
75 to 79	1,171		12	19,790	
80 and older	436		12	5,180	
Totals	66,482			4,790,8000	

Spouses/Domestic Partners

Age Brackets for Spouses/Domestic Partners	# of Insured Spouses/Domestic Partners (F)	Monthly Rate (per \$1,000) (G)	# of Months (H)	Volume per \$1,000 (I)	Total Amount – Year 3 (J) (GxHxI)
0-29	399		12	16,223	
30 to 34	1,227		12	53,199	
35 to 39	2,116		12	94,429	
40 to 44	3,022		12	127,508	
45 to 49	3,641		12	143,538	
50 to 54	3,978		12	135,572	
55 to 59	3,966		12	118,532	
60 to 64	3,405		12	89,760	
64 to 69	2,365		12	50,984	
70 to 74	1,209		12	19,847	
75 to 79	487		12	6,305	
80 and older	243		12	2,773	
Totals	26,058			858,670	

Dependent Children

# of Insured Dependent Children (I)	Dependent Monthly Rate (per \$1,000) (J)	# of Months (K)	Volume per \$1,000 (L)	Total Amount - Year 3 (M) (JxKxL)
15,752		12	363,031	

**Year 4
Employees/Retirees**

Age Brackets for Employees/Retirees	# of Insured Employees/Retirees (A)	Monthly Rate per \$1,000 (B)	# of Months (C)	Volume per \$1,000 (D)	Total Amount – Year 4(E) (BxCxD)
0-29	2,369		12	164,190	
30 to 34	4,583		12	387,800	
35 to 39	5,601		12	545,210	
40 to 44	6,839		12	684,870	
45 to 49	8,351		12	761,910	
50 to 54	9,434		12	770,480	
55 to 59	9,887		12	718,880	
60 to 64	9,116		12	575,590	
64 to 69	6,826		12	302,890	
70 to 74	3,298		12	96,420	
75 to 79	1,317		12	23,040	
80 and older	524		12	6,430	
Totals	68145			5,037,710	

Spouses/Domestic Partners

Age Brackets for Spouses/Domestic Partners	# of Insured Spouses/Domestic Partners (F)	Monthly Rate (per \$1,000) (G)	# of Months (H)	Volume per \$1,000 (I)	Total Amount – Year 4 (J) (GxHxI)
0-29	342		12	14,411	
30 to 34	1,161		12	52,145	
35 to 39	2,080		12	96,082	
40 to 44	3,005		12	131,224	
45 to 49	3,687		12	150,436	
50 to 54	4,062		12	143,269	
55 to 59	4,073		12	125,982	
60 to 64	3,568		12	97,367	
64 to 69	2,570		12	57,261	
70 to 74	1,329		12	22,560	
75 to 79	551		12	7,388	
80 and older	281		12	3,329	
Totals	26,709			901,454	

Dependent Children

# of Insured Dependent Children (I)	Dependent Monthly Rate (per \$1,000) (J)	# of Months (K)	Volume per \$1,000 (L)	Total Amount - Year 4 (M) (JxKxL)
15,831		12	373,973	

**Year 5
Employees/Retirees**

Age Brackets for Employees/Retirees	# of Insured Employees/Retirees (A)	Monthly Rate per \$1,000 (B)	# of Months (C)	Volume per \$1,000 (D)	Total Amount – Year 5(E) (BxCxD)
0-29	2,061		12	148,250	
30 to 34	4,552		12	398,860	
35 to 39	5,649		12	569,120	
40 to 44	6,823		12	707,340	
45 to 49	8,458		12	798,730	
50 to 54	9,587		12	810,350	
55 to 59	10,106		12	760,230	
60 to 64	9,484		12	619,680	
64 to 69	7,326		12	335,770	
70 to 74	3,691		12	111,810	
75 to 79	1,488		12	26,980	
80 and older	627		12	7,920	
Totals	69,852			5,295,040	

Spouses/Domestic Partners

Age Brackets for Spouses/Domestic Partners	# of Insured Spouses/Domestic Partners (F)	Monthly Rate (per \$1,000) (G)	# of Months (H)	Volume per \$1,000 (I)	Total Amount – Year 5 (J) (GxHxI)
0-29	292		12	12,727	
30 to 34	1,091		12	50,776	
35 to 39	2,040		12	97,542	
40 to 44	2,986		12	134,947	
45 to 49	3,729		12	157,478	
50 to 54	4,142		12	151,192	
55 to 59	4,178		12	133,746	
60 to 64	3,736		12	105,517	
64 to 69	2,773		12	63,868	
70 to 74	1,463		12	25,701	
75 to 79	625		12	8,675	
80 and older	323		12	3,973	
Totals	23378			946,142	

Dependent Children

# of Insured Dependent Children (I)	Dependent Monthly Rate (per \$1,000) (J)	# of Months (K)	Volume per \$1,000 (L)	Total Amount - Year 5 (M) (JxKxL)
15,910		12	385,235	

Summary and Totals

Member Group	Year 1	Year 2	Year 3	Year 4	Year 5
Employees/Retirees (E)					
Spouses/Domestic Partners (J)					
Dependent Children (M)					
Yearly Total (Sum totals in each column)					

Year	Yearly Total
Year 1	
Year 2	
Year 3	
Year 4	
Year 5	
Total Premiums (Evaluated Price)	

 AUTHORIZED SIGNATURE DATE

 PRINTED NAME AND TITLE

 COMPANY NAME

 COMPANY ADDRESS

 FEIN NUMBER

 TELEPHONE NUMBER

Attachment E-2
Accidental Death and Dismemberment (AD&D)
Unit Price Detail

The Offeror shall provide monthly unit costs for AD&D insurance for each of the three coverage levels indicated. The rates provided shall apply to all eligible employees, Spouses/Domestic Partners and children. Rates quoted in the tables below shall apply to the entire term of the contract.

For purposes of financial ranking, the State will use the “Total Premiums” as the evaluated price in order to rank Offeror’s proposals in order of lowest to highest price to the State.

YEAR 1
AD&D—Employee Only

Coverage Level	Employee Only # of Enrollees (P)	Employee Only Monthly Rate (Q)	# of Months (R)	Total – Year 1 (S) (PxQxR)
\$100,000	12,058		12	
\$200,000	3,439		12	
\$300,000	5,688		12	
Total (Sum of S)				

AD&D—Family & Employee

Coverage Level	Family # of Enrollees (S)	Family & Employee Monthly Rate (T)	# of Months (U)	Total – Year 1 (V) (SxTxU)
\$100,000	7,570		12	
\$200,000	4,567		12	
\$300,000	8,881		12	
Total (Sum of V)				

YEAR 2
AD&D—Employee Only

Coverage Level	Employee Only # of Enrollees (P)	Employee Only Monthly Rate (Q)	# of Months (R)	Total – Year 2 (S) (PxQxR)
\$100,000	12,179		12	
\$200,000	3,473		12	
\$300,000	5,830		12	
Total (Sum of S)				

AD&D—Family & Employee

Coverage Level	Family # of Enrollees (S)	Family & Employee Monthly Rate (T)	# of Months (U)	Total – Year 2 (V) (SxTxU)
\$100,000	7,646		12	
\$200,000	4,613		12	
\$300,000	9,103		12	
Total (Sum of V)				

YEAR 3
AD&D—Employee Only

Coverage Level	Employee Only # of Enrollees (P)	Employee Only Monthly Rate (Q)	# of Months (R)	Total – Year 3 (S) (PxQxR)
\$100,000	12,301		12	
\$200,000	3,508		12	
\$300,000	5,976		12	
Total (Sum of S)				

AD&D—Family & Employee

Coverage Level	Family # of Enrollees (S)	Family & Employee Monthly Rate (T)	# of Months (U)	Total – Year 3 (V) (SxTxU)
\$100,000	7,722		12	
\$200,000	4,659		12	
\$300,000	9,331		12	
Total (Sum of V)				

YEAR 4
AD&D—Employee Only

Coverage Level	Employee Only # of Enrollees (P)	Employee Only Monthly Rate (Q)	# of Months (R)	Total – Year 4 (S) (PxQxR)
\$100,000	12,424		12	
\$200,000	3,543		12	
\$300,000	6,125		12	
Total (Sum of S)				

AD&D—Family & Employee

Coverage Level	Family # of Enrollees (S)	Family & Employee Monthly Rate (T)	# of Months (U)	Total – Year 4 (V) (SxTxU)
\$100,000	7,799		12	
\$200,000	4,706		12	
\$300,000	9,564		12	
Total (Sum of V)				

YEAR 5
AD&D—Employee Only

Coverage Level	Employee Only # of Enrollees (P)	Employee Only Monthly Rate (Q)	# of Months (R)	Total – Year 5 (S) (PxQxR)
\$100,000	12,548		12	
\$200,000	3,578		12	
\$300,000	6,278		12	

Total (Sum of S)	
-------------------------	--

AD&D—Family & Employee

Coverage Level	Family # of Enrollees (S)	Family & Employee Monthly Rate (T)	# of Months (U)	Total – Year 5 (V) (SxTxU)
\$100,000	7,877		12	
\$200,000	4,753		12	
\$300,000	9,803		12	
Total (Sum of V)				

AD&D—Summary and Totals

Member Group	Year 1	Year 2	Year 3	Year 4	Year 5
Employee Only (S)					
Family & Employee(V)					
Yearly Total (Sum totals in each column)					

Year	Yearly Total
Year 1	
Year 2	
Year 3	
Year 4	
Year 5	
Total Premiums (Evaluated Price)	

 AUTHORIZED SIGNATURE DATE

 PRINTED NAME AND TITLE

 COMPANY NAME

 COMPANY ADDRESS

 FEIN NUMBER

 TELEPHONE NUMBER

**ATTACHMENT F – ELECTRONIC FUNDS TRANSFER (EFT) REGISTRATION
REQUEST FORM**

State of Maryland
Comptroller of Maryland

Date of request _____

Business identification information (Address to be used in case of default to check):

Business name _____

Address line 1 _____

Address line 2 _____

City _____ State _____ Zip code

Taxpayer identification number:

Federal Employer Identification Number:

(or) Social Security Number:

Business contact name, title, e-mail and phone number including area code. (And address if different from above):

Financial institution information:

Name and address _____

Contact name, phone number (include area code), _____

ABA number

Account number

Account type Checking Money Market Savings

Format Desired: _____ CCD _____ CCD+ _____ CTX* (Check one.)

*Note – There may be a charge to you by your bank with this format.

A VOIDED CHECK from the bank account shall be attached.

(OVER)

Transaction requested:

- 1. ___ Initiate all disbursements via EFT to the above account.
- 2. ___ Discontinue disbursements via EFT, effective _____
- 3. ___ Change the bank account to above information – a copy of the approved Registration Form for the previous bank account shall be attached.

I am authorized by * _____
 (hereinafter Company) to make the representations contained in this paragraph. Company authorizes the Comptroller and the Treasurer of Maryland to register it for electronic funds transfer (EFT) using the information contained in this registration form. Company agrees to receive all funds from the State of Maryland by electronic funds transfer according to the terms of the EFT program. Company agrees to return to the State of Maryland any EFT payment incorrectly disbursed by the State of Maryland to the Company’s account. Company agrees to hold harmless the State of Maryland and its agencies and departments for any delays or errors caused by inaccurate or outdated registration information or by the financial institution listed above.

*Name of registering business entity

 Signature of company treasurer, controller, or chief financial officer and date

Completed by GAD/STO

Date Received _____

GAD registration information verified _____ Date to STO _____

STO registration information verified _____ Date to GAD _____

R*STARS Vendor No. and Mail Code Assigned:

 State Treasurer’s Office approval date

 General Accounting Division approval date

To Requestor:

Please retain a copy of this form for your records. Please allow approximately 30 days from the date of your request for the Comptroller’s and Treasurer’s Offices to process your request. Failure to maintain current information with this office could result in errors in payment processing. If you have any questions, please call the EFT registration desk at 410-260-7375.

Please submit form to: EFT Registration, General Accounting Division
 Room 205, P.O. Box 746
 Annapolis, Maryland 21404-0746

Instructions: Electronic Funds Transfer instructions are located: <http://compnet.comp.state.md.us/gad>. Questions may be requested by email, gad@comp.state.md.us. Or call 1-888-784-0144.
 COT/GAD X-10

ATTACHMENT G – OFFICER CHECKLIST

RFP	Requirement	Y/N	Remarks
4.2	Was Vol I sealed separately from Vol II but submitted simultaneously?		
4.2	Were an unbound original and five copies of the Vol I- Technical Proposal and Volume II – Financial Proposal submitted?		
4.2	Were two electronic versions submitted in MS Word or Excel format enclosed in the original copy of the Technical Proposal and Financial Proposal?		
4.2	Was the electronic media labeled with the RFP title/number, Offeror name and Vol I?		
4.2	Was the electronic media labeled with the RFP title/number, Offeror name and Vol II?		
4.3	Were separate volumes labeled Vol I—Technical Proposal and Vol II—Financial Proposal, in sealed packages bearing RFP title & number, name/address of Offeror, and closing date/time on outside of the packages? Were proposal pages numbered consecutively?		
4.4.1	(If the Offeror submitted a proposal for more than one service category) Did the Offeror submit one complete package entitled “Complete Proposal” and a separate proposal for the second service category?		
4.4.2	Was there a letter which transmitted the Technical Proposal and acknowledged the receipt of addenda? Was the letter signed by an individual authorized to commit the Offeror to the services and requirements of the RFP?		
4.4.3	Were proposals numbered to match numbering in RFP?		
4.4.3.1	Did the Technical Proposal begin with a title page bearing the name and address of the Offeror and the name and number of the RFP followed by a table of contents for the Technical Proposal? Was confidential information identified after title page of Technical Proposal?		
4.4.3.2	Is there a separate executive summary, which condenses and highlights the contents of the Technical Proposal?		
4.4.3.2	Does the executive summary identify any exceptions the Offeror has taken to the requirements of the RFP, the Contract (Atch A) or any other attachments? (Warning— Exceptions may result in proposal being rejected)		
4.4.3.2	If there are no exceptions, does the executive summary so state?		
4.4.3.3	Did the Offeror address each applicable criterion in the Technical Response to RFP Requirements? Provide an implementation plan? Respond to the listed questions?		
4.4.3.4	Does Offeror Exp & Capabilities info include: (A) overview, (B) list of State of Maryland Contracts currently performing or completed within the last 5 years, (C) 3 references, and (D)		

	ownership structure?		
4.4.3.5	Did the Offeror provide: (A) staffing plan, ID locations to be used for State activities, (C) management plan?		
4.4.3.6	Did the Offeror identify subcontractors and their roles?		
4.4.3.7	Did the Offeror provide a draft problem escalation procedure?		
4.4.3.8	Did the Offeror address economic benefit factors?		
4.4.3.9	Did the Offeror submit litigation history for last 5 years and state if license had ever been revoked?		
4.4.3.10	Did the Offeror provide a list of any contracts with any public entity that have been terminated for convenience or cause within the past five years		
4.4.3.11	Did the Offeror provided a completed Bid/Proposal Affidavit (Atch B), Certified MBE Utilization and Fair Solicitation Affidavit (Atch D-1), and Living Wage Affidavit of Agreement (Atch J)?		

**Project No. F10B3400001
GROUP TERM LIFE AND AD&D INSURANCES**

A Pre-Proposal Conference will be held at 10:00 AM, on July 9, 2012, at 300 W. Preston Street, Auditorium Baltimore, MD 21201. Please return this form by July 5, 2012 by 2pm advising whether or not you plan to attend.

Return or fax this form to the Procurement Officer:

Michael Howard
Department of Budget and Management
Procurement Unit
45 Calvert Street, Room 142
Annapolis, MD 21401
Fax # (410) 974-7518

Please indicate:

_____ Yes, the following representatives will be in attendance:

- 1.
- 2.

_____ No, we will not be in attendance.

Signature Title

ATTACHMENT I – NON-DISCLOSURE AGREEMENT (OFFEROR)

This Non- Disclosure Agreement (the “Agreement”) is made this ___ day of _____ 201_, by and between _____ (hereinafter referred to as "the OFFEROR ") and the State of Maryland (hereinafter referred to as “the State”).

OFFEROR warrants and represents that it intends to submit a Technical Proposal in response to RFP #F10P8200006 for GROUP TERM LIFE and PA&D INSURANCE SERVICES. In order for the OFFEROR to submit a Proposal, it will be necessary for the State to provide the OFFEROR with access to certain confidential information including, but not limited, to demographic information on State employees and State retirees. All such information provided by the State shall be considered Confidential Information regardless of the form, format, or media upon which or in which such information is contained or provided, regardless of whether it is oral, written, electronic, or any other form, and regardless of whether the information is marked as “Confidential Information”. As a condition for its receipt and access to the Confidential Information described in Section 1.31 of the RFP, OFFEROR agrees as follows:

1. OFFEROR will not copy, disclose, publish, release, transfer, disseminate or use for any purpose in any form any Confidential Information received under Section 1.31, except in connection with the preparation of it’s Proposal.
2. Each employee or agent of the OFFEROR who receives or has access to the Confidential Information shall execute a copy of this Agreement and the OFFEROR shall provide originals of such executed Agreements to the State. Each employee or agent of the OFFEROR who signs this Agreement shall be subject to the same terms, conditions, requirements and liabilities set forth herein that are applicable to the OFFEROR.
3. OFFEROR shall return the Confidential Information to the State within five business days of the State’s Notice of recommended award. If the OFFEROR does not submit a Proposal, the OFFEROR shall return the Confidential Information to Michael Howard, Procurement Officer, Department of Budget & Management on or before the due date for Proposals. If the Confidential Information was provided by e-mailed file, the OFFEROR shall send an e-mail to the Procurement Officer certifying deletion of the e-mail and all copies of the file as well as the destruction of any paper copies or electronic media copies within the five business days referenced above.
4. OFFEROR acknowledges that the disclosure of the Confidential Information may cause irreparable harm to the State and agrees that the State may obtain an injunction to prevent the disclosure, copying, or other impermissible use of the Confidential Information. The State’s rights and remedies hereunder are cumulative and the State expressly reserves any and all rights, remedies, claims and actions that it may have now or in the future to protect the Confidential Information and/or to seek damages for the OFFEROR’S failure to comply with the requirements of this Agreement. The OFFEROR consents to personal jurisdiction in the Maryland State Courts.
5. In the event the State suffers any losses, damages, liabilities, expenses, or costs (including, by way of example only, attorneys’ fees and disbursements) that are attributable, in whole or in part to any failure by the OFFEROR or any employee or agent of the OFFEROR to comply with the requirements of this Agreement, OFFEROR and such employees and agents of OFFEROR shall hold harmless and indemnify the State from and against any such losses, damages, liabilities, expenses, and/or costs.
6. This Agreement shall be governed by the laws of the State of Maryland.
7. OFFEROR acknowledges that pursuant to Section 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland, a person may not willfully make a false or fraudulent statement or representation of a material fact in connection with a procurement contract. Persons making such statements are guilty of a felony and on conviction subject to a fine of not more than \$20,000 and/or imprisonment not exceeding 5 years or both. OFFEROR further acknowledges that this Agreement is a statement made in connection with a procurement contract.
8. The individual signing below warrants and represents that they are fully authorized to bind the OFFEROR to the terms and conditions specified in this Agreement. If signed below by an individual employee or agent of the OFFEROR under Section 2 of this Agreement, such individual acknowledges that a failure to comply with the requirements specified in this Agreement may result in personal liability.

OFFEROR: _____ BY: _____
NAME: _____ TITLE: _____
ADDRESS: _____

**OFFEROR'S EMPLOYEES AND AGENTS WHO WILL BE GIVEN ACCESS TO THE
CONFIDENTIAL INFORMATION**

Printed Name and Address of Individual/Agent	Employee (E) or Agent (A)	Signature	Date
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

Living Wage Requirements for Service Contracts

- A. This contract is subject to the Living Wage requirements under Title 18, State Finance and Procurement Article, Annotated Code of Maryland and the regulations proposed by the Commissioner of Labor and Industry. The Living Wage generally applies to a Contractor or Subcontractor who performs work on a State contract for services that is valued at \$100,000 or more. An employee is subject to the Living Wage if he/she is at least 18 years old or will turn 18 during the duration of the contract; works at least 13 consecutive weeks on the State Contract and spends at least one-half of the employee’s time during any work week on the State Contract. The Living Wage Law does not apply to an employee who works less than thirteen consecutive weeks and full-time on a contract subject to the Living Wage.
- B. The Living Wage Law does not apply to:
- (1) A Contractor who:
- (A) has a State contract for services valued at less than \$100,000, or
 - (B) employs 10 or fewer employees and has a State contract for services valued at less than \$500,000.
- (2) A Subcontractor who:
- (A) performs work on a State contract for services valued at less than \$100,000,
 - (B) employs 10 or fewer employees and performs work on a State contract for services valued at less than \$500,000, or
 - (C) performs work for a contractor not covered by the Living Wage Law as defined in B (1) (B) above, or B (3) or C below.
- (3) Contracts involving services needed for the following:
- (A) Services with a Public Service Company;
 - (B) Services with a nonprofit organization;
 - (C) Services with an officer or other entity that is in the Executive Branch of the State government and is authorized by law to enter into procurement (“Unit”); or
 - (D) Services between a Unit and a County or Baltimore City.

- C. If the Unit responsible for the State contract determines that application of the Living Wage would conflict with any applicable Federal program, the Living Wage does not apply to the contract or program.
- D. A Contractor must not split or subdivide a contract, pay an employee through a third party, or treat an employee as an independent contractor or assign work to employees to avoid the imposition of any of the requirements of Title 18, State Finance and Procurement, Annotated Code of Maryland.
- E. Each Contractor/Subcontractor, subject to the Living Wage Law, shall post in a prominent and easily accessible place at the work site(s) of covered employees a notice of the Living Wage Rates, employee rights under the law, and the name, address, and telephone number of the Commissioner.
- F. The Commissioner of Labor and Industry shall adjust the wage rates by the annual average increase or decrease, if any, in the Consumer Price Index for all urban consumers for the Washington/Baltimore metropolitan area, or any successor index, for the previous calendar year, not later than 90 days after the start of each fiscal year. The Commissioner shall publish any adjustments to the wage rates on the Division of Labor and Industry's Website. An employer subject to the Living Wage Law must comply with the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate, required by the Commissioner, automatically upon the effective date of the revised wage rate.
- G. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of the health insurance premium, as provided in §18-103(c), State Finance and Procurement Article, Annotated Code of Maryland, shall not lower an employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's share of health insurance premium shall comply with any record reporting requirements established by the Commissioner of Labor and Industry.
- H. A Contractor/Subcontractor may reduce the wage rates paid under §18-103(a), State Finance and Procurement, Annotated Code of Maryland, by no more than 50 cents of the hourly cost of the employer's contribution to an employee's deferred compensation plan. A Contractor/Subcontractor who reduces the wages paid to an employee based on the employer's contribution to an employee's deferred compensation plan shall not lower the employee's wage rate below the minimum wage as set in §3-413, Labor and Employment Article, Annotated Code of Maryland.
- I. Under Title 18, State and Finance Procurement Article, Annotated Code of Maryland, if the Commissioner determines that the Contractor/Subcontractor violated a provision of this title or regulations of the Commissioner, the Contractor/Subcontractor shall pay restitution to each affected employee, and the State may assess liquidated damages of \$20 per day for each employee paid less than the Living Wage.

ATTACHMENT K – LIVING WAGE AFFIDAVIT OF AGREEMENT

Maryland Living Wage Requirements-Service Contracts

Contract No. F10B3400001:

Group Term Life and Accidental Death and Dismemberment (AD&D) Insurances

Name of Contractor _____

Address _____

City _____ State _____ Zip Code _____

If the Contract is Exempt form the Living Wage Law

The Undersigned, being an authorized representative of the above named Contractor, hereby affirms that the Contract is exempt form Maryland’s Living Wage Law for the following reasons (check all that apply):

- Bidder/Offeror is a nonprofit organization
- Bidder/Offeror is a public service company
- Bidder/Offeror employs 10 or fewer employees and the proposed contract value is less than \$500,000
- Bidder/Offeror employs more than 10 employees and the proposed contract value is less than \$100,000

If the Contract is a Living Wage Contract

A. The Undersigned, being an authorized representative of the above named Contractor, hereby affirms our commitment to comply with Title18, State Finance and Procurement Article, Annotated Code of Maryland and, if required, to submit all payroll reports to the Commissioner of Labor and Industry with regard to the above stated contract. The Bidder/Offeror agrees to pay covered employees who are subject to living wage at least the living rate in effect at the time service is provided for hours spend on State contract activities, and to ensure that its Subcontractors who are not exempt also pay the required living wage rate to their covered employees who are subject to the living wage for hours spent on a State contract for services. The Contractor agrees to comply with, and ensure its Subcontractors comply with, the rate requirements during the initial term of the contract and all subsequent renewal periods, including any increases in the wage rate established by the Commissioner of Labor and Industry, automatically upon the effective date of the revised wage rate.

B. (initial here if applicable) The Bidder/Offeror affirms it has no covered employees for the following reasons: (check all that apply):

- All employee(s) proposed to work on the contract will spend less than one-half of the employee’s time during every work week on the State contract;
- All employee(s) proposed to work on the contract will be 17 years of age or younger during the duration of the contract; or

_____ All employee(s) proposed to work on the contract will work less than 13 consecutive weeks on the State contract.

The Commissioner of Labor and Industry reserves the right to request payroll records and other data that the Commissioner deems sufficient to confirm these affirmations at any time.

Name of Authorized Representative

Signature of Authorized Representative

Date

Title

Witness Name (Typed or Printed)

Witness Signature

Date

ATTACHMENT L – PERFORMANCE GUARANTEES AND LIQUIDATED DAMAGES

L-1: GROUP TERM LIFE INSURANCE QUARTELY REPORT

Name of Plan: _____

For Semi-Annual Period and Year: _____

DBM Use Only Date Received: _____

Performance Standard	Standard/Goal	Reporting Measurements	Liquidated Damages
1. Telephone call on-hold time (in phone queue)	Average of 2 minutes or less on hold before reaching a customer service representative	Report Card*	\$500 per reporting period in which the standard is not met.
2. Telephone Call Abandonment Rate	Abandonment Rate of 5% or less	Report Card*	\$500 per percentage point over 5% per reporting period.
3. Vendor Attendance at State Plan Management meetings	Attendance by plan representative(s) at 100% of meetings scheduled by the State	Sign-In sheets at the meetings	\$500 per scheduled meeting not attended.
4. Vendor attendance at State-sponsored annual Open Enrollment and orientation meetings	Attendance by plan representative(s) at 100% of meetings scheduled by the State	Sign-in sheets at Open Enrollment meetings and coordinator surveys	\$500 per scheduled meeting not attended.
5. Claims processing time	Upon receipt of all required documentation, 95% claims processed accurately within five business days; 98% within 10 business days.	Report Card*	\$500 per period in which standard is not met.
6. Complaint Resolution Time	Plan will: a) acknowledge receipt of the written complaint to the State and Member within two business days of receipt of the complaint letter; and b) provide a written complaint response to the State and Member within 21 business days of receipt of the initial complaint letter	Report Card* and State correspondence logs Note: *See RFP Section 3.5.10	a) \$250 for each late acknowledgement letter and b) \$250 for each late written complaint response.

L-2: ACCIDENTAL DEATH & DISMEMBERMENT QUARTERLY REPORT

Name of Plan: _____

For Semi-Annual Period and Year: _____

DBM Use Only Date Received: _____

Performance Standard	Standard/Goal	Reporting Measurements	Liquidated Damages
1. Telephone call on-hold time (in phone queue)	Average of 2 minutes or less on hold before reaching a customer service representative	Report Card*	\$500 per reporting period in which the standard is not met.
2. Telephone Call Abandonment Rate	Abandonment Rate of 5% or less	Report Card*	\$500 per percentage point over 5% per reporting period.
3. Vendor Attendance at State Plan Management meetings	Attendance by plan representative(s) at 100% of meetings scheduled by the State	Sign-In sheets at the meetings	\$500 per scheduled meeting not attended.
4. Vendor attendance at State-sponsored annual Open Enrollment and orientation meetings	Attendance by plan representative(s) at 100% of meetings scheduled by the State	Sign-in sheets at Open Enrollment meetings and coordinator surveys	\$500 per scheduled meeting not attended.
5. Claims processing time	Upon receipt of all required documentation, 98% claims processed accurately within five business days; 100% within 10 business days.	Report Card*	\$500 per period in which standard is not met.
6. Complaint Resolution Time	Plan will: a) acknowledge receipt of the written complaint to the State and Member within two business days of receipt of the complaint letter; and b) provide a written complaint response to the State and Member within 21 business days of receipt of the initial complaint letter	Report Card* and State correspondence logs Note: *See RFP Section 3.5.10	a) \$250 for each late acknowledgement letter, and, b) \$250 for each late written complaint response.