

STATE OF MARYLAND

**Request for Proposals
Dental Benefits Program**

Solicitation No. F10B8200014



Department of Budget and Management

Employee Benefits Division

Issue Date: April 14, 2008

NOTICE:

Prospective Offerors who have received this document from the Department of Budget and Management's web site or 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

KEY INFORMATION SUMMARY SHEET

STATE OF MARYLAND

**Request For Proposals
Dental Benefits Program**

SOLICITATION NUMBER F10B8200014

RFP Issue Date: April 14, 2008

RFP Issuing Office: Department of Budget and Management
Employee Benefits Division (EBD)

Procurement Officer: Gabriel Gnall
Office Phone: (410) 260-7338
Fax: (410) 974-3274
E-mail: ggnall@dbm.state.md.us

Proposals are to be sent to: Department of Budget and Management
45 Calvert Street, Room 140
Annapolis, MD 21401
Attention: Gabriel Gnall

Pre-Proposal Conference: May 5, 2008, 1:00 PM (Local Time)
Department of Budget and Management
45 Calvert Street, Room 164 A/B
Annapolis, MD 21401
For directions, call 410-260-7338

Closing Date and Time: June 6, 2008 at 2:00 PM (Local Time)

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SECTION 1 - GENERAL INFORMATION

1.1 Summary Statement

The Department of Budget and Management is issuing this Request for Proposals (RFP) to provide dental benefits for State members and their dependents. The scope of this RFP is to provide dental benefit services for eligible Participants of the State's employee benefits program beginning with the plan year effective July 1, 2009. The State's goal is to offer a complement of affordable dental benefits possibly to include a fully insured Dental Health Maintenance Organization (DHMO) and a fully insured Dental Preferred Provider Organization (DPPO) in order to attract and retain valued employees as well as ensure their long term well-being. The State is requesting service be provided for the following functional areas:

Functional Area 1 – DHMO

Functional Area 2 – DPPO

Offerors may submit a proposal for one or both functional areas. For each functional area being proposed, the Offeror must submit separate complete proposals. The State intends to award up to three (3) contracts, encompassing both functional areas. An award in each functional area is not guaranteed. There is the possibility of more than one award in a single functional area. There is also no guarantee of enrollment in any dental plan.

Please note that Gabriel, Roeder, Smith & Co (GRS) Consulting, as the State's benefits consultant, is assisting the State in this procurement.

1.2 Abbreviations and Definitions

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

- a. **“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.
- b. **“BAS”** means Benefits Administration System that is the State's automated enrollment system.
- c. **“CDT-4”** means Current Dental Terminology, Fourth Edition.
- d. **“COB”** means Coordination of Benefits.
- c. **“COBRA”** means Consolidated Omnibus Budget Reconciliation Act.
- d. **“COMAR”** means Code of Maryland Regulations.
- e. **“Contract Employee”** means a non-permanent employee of the State of Maryland who is not eligible for State subsidy of benefits, but is eligible to enroll in the State of Maryland Benefits Program, paying full premium costs.
- f. **“Covered Entity”** means a covered entity as defined by 45 CFR §160.103.
- g. **“Covered Lives”** means total number of Participants covered by a plan.
- h. **“CPB”** means the State of Maryland Central Payroll Bureau.
- i. **“DBM”** means the Department of Budget and Management.

- j. **“Dental Benefits Program”** means the group dental plans administered for State employees, retirees and their dependents.
- k. **“Dependent”** means a Spouse and Dependent Child of the employee, retiree or other eligible Member.
- l. **“Dependent Child”** means an individual who meets the following requirements:
 1. The person is one of the following:
 - a) the natural child, stepchild, adopted child or grandchild of the Member;
 - b) a child placed with the Member for legal adoption;
 - c) a child residing with the insured, who is under testamentary or court appointed guardianship, other than temporary guardianship of less than 12 months duration, of the insured;
 - d) a child permanently residing with the Member, and for whom the Member is the testamentary or court appointed guardian, other than a child under temporary guardianship of less than 12 months duration; or
 - e) a child who is related to a Member by blood or marriage, who permanently resides with the Member and for whom the Member provides sole support;
 2. The person is unmarried;
 3. The person is under the age of 25 or is incapable of self-support because of a mental or physical incapacity incurred before age 25 and chiefly dependent on the Member for support; and
 4. The person is either:
 - a) a “qualifying child” of the insured, as that term is defined in 26 U.S.C. § 152 (c); or
 - b) a “qualifying relative” of the insured, as that term is defined in 26 U.S.C. § 152(d), excluding (d)(1)(B).
- m. **“DHMO”** means Dental Health Maintenance Organization.
- n. **“Direct Pay Enrollee”** means an individual who is billed directly by the Department of Budget and Management for selected benefits.
- o. **“DPPO”** means Dental Preferred Provider Organization.
- p. **“EBD”** means Employee Benefits Division of the Department of Budget and Management.
- q. **“EOB”** means Explanation of Benefits.
- r. **“HIPAA”** means Health Insurance Portability & Accountability Act, and its corresponding regulations.
- s. **“LAW”** means an unpaid leave of absence elected by a permanent employee, who is not eligible for State subsidy of benefits but is eligible to participate in certain benefits provided by the State of Maryland while on the unpaid leave of absence.
- t. **“Local Time”** means Eastern Standard Time or Eastern Daylight Time, as applicable, as such time is observed in the State of Maryland.
- u. **“MBE”** means a Minority Business Enterprise that is certified by the Maryland Department of Transportation.

- v. **“Medical Records Act”** means the Maryland Confidentiality of Medical Records Act, Annotated Code of Maryland, Health-General Article, Title 4, Subtitle 3.
- w. **“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 pursuant to COMAR 17.04.13.03A but does not include the member’s dependent(s).
- x. **“MIS”** means Management Information System.
- y. **“Participant”** means each individual covered by a plan (Members and Dependents).
- z. **“Part-Time Employee”** means a permanent employee who works less than fifty percent of the standard workweek and is not eligible for state subsidy of benefits, but is eligible to enroll in the State of Maryland Benefits Program.
- aa. **“PHI”** means Protected Health Information, as the phrase is defined in 45 CFR §164.501.
- bb. **“PEPM”** means Per Employee Per Month; the cost for each Employee or Retiree on a monthly basis.
- cc. **“PPE”** means Pay Period Ending.
- dd. **“Reasonable and Customary (R&C)”** means a fee for a health service that is within the range of usual fees charged by providers of similar training and experience, for the same service, within the same geographic area.
- ee. **“RFP”** means this Request for Proposals for Dental Benefits Program.
- ff. **“Satellite Account Employee”** means an employee of a political subdivision, agency, commission, or organization that is permitted by Maryland law to participate in the State of Maryland Benefits Program.
- gg. **“Spouse”** means either a husband or wife who is joined in marriage to a member, provided that such marriage is recognized by the laws of the State of Maryland.
- hh. **“Subcontractor”** means an organization or entity that the Offeror plans to utilize for the purposes of services covered under this contract.
- ii. **“TIN”** means tax identification number.
- jj. **“TPA”** means Third Party Administrator.
- kk. **“TTY/TDD”** means a telephone device used by hearing impaired individuals whereby they communicate via telephone connected to a keyboard and screen.
- ll. **“Use”** means, with respect to individually identifiable health information, the sharing, employment, application, utilization, examination, or analysis of such information within an entity that maintains such information.
- mm. **“Utilization Review (UR)”** means evaluation of the necessity, quality, effectiveness, or efficiency of dental services, procedures and facilities.

1.3 Pre-Proposal Conference

A Pre-Proposal Conference (Conference) will be held on May 5, 2008, beginning at 1:00 PM, at 45 Calvert Street, Room 164 A/B, Annapolis, MD 21401. 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 Offeror’s understanding and ability to meet the State’s Minority Business Enterprise (MBE) goals.

The Pre-Proposal Conference will be summarized. As promptly as is feasible 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 assure adequate seating and other accommodations at the Pre-Proposal Conference, please submit the Pre-Proposal Conference Response Form to the attention of Gabriel Gnall preferably via e-mail at ggnall@dbm.state.md.us or via facsimile at 410-974-3274 with such notice no later than 4:00 PM Local Time on April 30, 2008. 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 April 25, 2008. DBM will make a reasonable effort to provide such special accommodation.

1.4 Proposals Due (Closing) Date

For each functional area proposed, an unbound original and six (6) bound copies of each proposal (technical and financial) must be received by the Procurement Officer, at the address listed in Section 1.7, no later than 2:00 PM (local time) on June 6, 2008 in order to be considered. An electronic version on CD of the Technical Proposal (in MS Excel format and MS Word, as appropriate) copied on two (2) CD's must be enclosed with the original Technical Proposal. An electronic version on two (2) CD's of the Financial Proposal in MS Excel format must be enclosed with the original Financial Proposal. Ensure that the CD's are labeled with the RFP title, RFP number, functional area, 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 21.05.03.02F, proposals received by the Procurement Officer after the due date June 6, 2008 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 and Type

The contracts resulting from this RFP shall be for the period beginning upon award of the contract (approximately October 2008) and for a term of five (5) contract years or until contract termination. The

Contractor(s) shall be responsible for providing insurance coverage for enrolled individuals beginning July 1, 2009.

For the period from contract commencement until June 30, 2009, the Contractor(s) shall be responsible for the implementation activities described under Section 3.3, "Implementation Schedule." Following the end of this Contract, the Contractor shall be responsible for handling claims payments for claims incurred prior to the end of the Contract; the Contractor's obligations as insurer with respect to covered services during a period of coverage shall survive the expiration of the Contract. The Contracts that result from this RFP shall be as follows:

The Contracts that result 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(s), Attachments M and P, as appropriate.

1.7 Procurement Officer

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

Gabriel Gnall
Procurement Analyst
Department of Budget and Management
45 Calvert Street, Room 140
Annapolis, Maryland 21401
Telephone #: (410) 260-7338
Fax #: (410) 974-3274
E-mail: ggnall@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
Director, Employee Benefits Division
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.

Maryland Department of Transportation (MDOT)
Office of Minority Business Enterprise
7201 Corporate Center Drive
Hanover, Maryland 21076
(410) 865-1269 or 1-800-544-6056
TTY (410) 865-1342
<http://www.marylandtransportation.com>

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

1.10.1. MBE Participation Goal.

A Minority Business Enterprise (MBE) subcontractor participation goal has been set for the Contracts to be awarded pursuant to this RFP. The MBE subcontractor participation goals for each dental Functional Area shall be 0.5% of the total premiums paid to the Contractor(s) pursuant to the Contract.

1.10.2. MBE Commitments and Responses to this RFP.

- 1.10.2.1 Attachments D-1, “MBE Utilization and Fair Solicitation Affidavit,” and D-2, “MBE Participation Schedule,” must be completed and submitted with each Offeror’s proposal. In completing Attachments D-1 and D-2, Offerors must commit to the work to be performed or furnished by the MBE and the committed percentage of this Contract to be paid to each MBE for the work or supply. See COMAR 21.11.03.94C (4 – 7). These MBE commitments (as to items of work, service, or supply and the amount to be paid) are contractual obligations that must be met by the Contractor during the term of the Contract. An Offeror that does not commit to meeting the entire MBE participation goal outlined in this Section 1.10 must submit a good faith request for waiver. See COMAR 21.11.03.11.
- 1.10.2.2 Payments Attributable to the Goal. Payments to MBE subcontractors may be attributed to the State Contract (and used to satisfy the Contractor’s obligation to meet the goal) in one of three ways:
- (a) Credit for the entire payment for MBE work that is directly and exclusively related to the State Contract (see RFP 1.10.2.2.1);
 - (b) On a pro-rated basis determined by a formula, based on the State Contract as a portion of the Contractor’s book of business (see RFP 1.10.2.2.2); or
 - (c) Allocated based on the facts and circumstances (see RFP 1.10.2.2.3).
- 1.10.2.2.1 Direct and Exclusive. For MBE participation that is directly and exclusively related to the services provided to the State’s plan, the MBE participation may be counted in full.
- 1.10.2.2.2 Pro-ration. If the MBE participation commitment is for a function that is not directly and exclusively related to services provided to the State’s plan through this Contract (i.e., if an Offeror anticipates working with an MBE in areas that serve the Offeror’s business generally – such as consultant services, administration services, IT services, or supplies), the participation will be pro-rated based on the State’s Share of the Offeror’s Book of Business at the Service Center that services the State’s account.

Note: The calculation and resulting pro-ration factor are to be included in the Offeror's Technical Proposal as an attachment to the completed D-2. An attachment to D-2 is included and must be used to calculate the factor.

Calculating State Share for Pro-ration. The State's Share of Offeror's Book of Business at the Service Center that services the State's account is to be determined as follows:

For Functional Area No. 1 (DHMO):

Projected State Enrollment for DHMO ÷ (Total Non-State Enrollment Served at Offeror's Service Center + Projected State Enrollment for DHMO) = State's Share of Offeror's Book of Business.

Offerors are to use 41,448 as the Projected State Enrollment for DHMO.

EXAMPLE: If Total Non-State Enrollment is 100,000 then the calculation is:

$$41,448 \div (100,000 + 41,448) = 29\%$$

Note: Round to the nearest whole number.

For purposes of calculating the Offeror's non-State enrollment, the Offeror must use a population report from no earlier than January, 2008.

For Functional Area No. 2 (DPPO):

Projected State Enrollment for DPPO ÷ (Total Non-State Enrollment Served at Offeror's Service Center + Projected State Enrollment for DPPO) = State's Share of Offeror's Book of Business.

Offerors are to use 46,886 as the Projected State Enrollment for DPPO.

EXAMPLE: If Total Non-State Enrollment is 100,000 then the calculation is:

$$46,886 \div (100,000 + 46,886) = 32\%$$

Note: Round to the nearest whole number.

For purposes of calculating the Offeror's non-State enrollment, the Offeror must use a population report from no earlier than January, 2008.

- 1.10.2.2.3 **Allocation:** If the MBE participation commitment is for a function that is not directly and exclusively related to services provided to the State's plan through this Contract, but is greater than the pro-ration factor identified above, then the Offeror must document the percentage of MBE participation that is allocable to the State contract. For example, if the Offeror plans to buy 100 computers and 40 of the computers will exclusively support the State Plan, the Offeror may report 40% of the purchase as attributable to the State Contract.

The Offeror shall submit, as an Attachment to the completed D-2, a description of proposed subcontract(s) to be allocated under the State Plans, and the justification for the allocation(s).

1.10.3 Attachment D-2 Submission.

- 1.10.3.1 When preparing Attachment D-2, the Offeror must consider and include *only those MBE payments that are attributable to the State contract as determined above in 1.10.2.2*. On the D-2, the Offeror is to note by each MBE whether the participation will be counted in full (directly and exclusively related), on a pro-rated basis (based on the Offeror's submitted calculations of the State's Share of Offeror's Book of Business), or on an allocable basis (as with computer example in 1.10.2.2.3).
- 1.10.3.2 The Attachment D-2 is to be completed using only the amount of the MBE participation that is attributable to the State Contract. The D-2 shall indicate the percentage (%) of the Contract to be subcontracted to each MBE firm and the manner in which the MBE participation is attributable to meeting the total proposed goal.
- 1.10.3.3 Failure of the Offeror to complete, sign, and submit Attachments D-1 and D-2 at the time it submits its 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.*

1.10.4 Contractual Compliance.

- 1.10.4.1 The Contractor shall fulfill the commitments made in Attachments D-1 and D-2. These MBE commitments reported in the Technical Proposal and Attachments D-1 and D-2 (as to items of work, service, or supply and the amount to be paid) are contractual obligations that must be met by the Contractor during the term of the Contract. The Contractor shall structure its award(s) of subcontract(s) under the Contract(s) 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." Subcontractors used to meet the MBE goal of this RFP must be identified in the Offeror's proposal.
- 1.10.4.2 In completing the Attachments D-5 and D-6 each month, the Contractor and Subcontractors shall report both the full amount of MBE participation and the attributable amounts of MBE participation for each MBE to the State Contract. If any Offeror is awarded a contract in more than one functional area, the requirements in connection with the MBE subcontracting goal and Attachment D submissions are determined on a per-contract basis. If an MBE performs services for more than one functional area (DHMO and DPPO), the Contractor must report the portion of the work for each contract and may not duplicate reporting of payments to the MBE.
- 1.10.4.3 MBE participation to meet the goal must be related and attributable to the Contract(s) awarded pursuant to this solicitation.

1.10.5 Anticipated Sub-contracting Opportunities.

Offerors should review Section 3 of this RFP and the Financial Proposal forms (DHMO-Attachment M-5; DPPO – Attachment P-5) to see the services that the State anticipates to be provided as part of the Contract(s) for each functional area. Offerors are encouraged to seek MBE participation in those areas, but are not limited to using MBEs in those areas.

1.10.6 Questions and More Information.

Questions or concerns regarding the MBE requirements of this solicitation must be raised before the opening of bids or receipt of initial proposals.

1.10.7 MBE Directory.

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.mdot.state.md.us/MBE_Program/Index.html. 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 more than one functional area including the DPPO and DHMO is not considered multiple proposals. See Section 1.1.

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 of Maryland. 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 Offeror's 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 closing date of proposals or of Best and Final Offers (BAFOs), 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 should 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 Access to Public Records Act, Title 10, Subtitle 6, of the State Government Article of the Annotated Code of Maryland. (See Section 4.4.2.1)

Offerors are advised that, upon request for this information from a third party, the State will 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 proposal to this solicitation, each Offeror represents that it is not in arrears in the payment of any obligations due and owing the State of Maryland, 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 must 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 must be provided with the signed contract after notification of proposed contract award.

1.19 Procurement Method

These contracts will be awarded in accordance with the competitive sealed proposals process under COMAR 21.05.03.

1.20 Mandatory Contractual Terms

By submitting a proposal 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 the 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.

1.21 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).

1.22 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.

1.23 eMaryland Marketplace

eMarylandMarketplace (eMM) is an electronic commerce system 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 eMM.

In order to receive a contract award, a vendor must be registered on eMM. eMM registration is made through the eMarylandMarketplace website at www.eMarylandMarketplace.com.

1.24 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.

1.25 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.

1.26 Offeror Responsibilities

The selected Offerors shall be responsible for rendering services within the functional area 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 and financial reports, 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.

1.27 Verification of Registration and Tax Payment

Before a corporation can do business in the State of Maryland it must be registered 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 prior to the due date for receipt of proposals. An Offeror's failure to complete registration with the Department of

Assessments and Taxation may disqualify an otherwise successful Offeror from final consideration and recommendation for contract award.

1.28 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.

1.29 Payments by Electronic Funds Transfers

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/General_Accounting_Division/Static_Files/gadx-10.pdf.

1.30 Non-Disclosure Agreement

In order to get access to certain data that is necessary to complete a proposal in response to this RFP, each Offeror must complete a Non-Disclosure Agreement. The Non-Disclosure Agreement must be in the form provided as Attachment I to this RFP. In order to obtain the data, an Offeror must first print, sign and return to the Procurement Officer the non-disclosure agreement found at Attachment I, "Non-Disclosure Agreement," with a request for the data. A scanned copy with signature service and transmitted by e-mail is acceptable.

The information that will be provided to the Offeror after submission of the Non-Disclosure Agreement includes the following:

1. Demographic data showing the date of birth, gender, city, state, zip and county for approximately 119,000 active employees and currently-covered retiree population, to be used in completing the Geo-Access reports required in Attachments L-1 and O-1.
2. For Functional Area 1 – DHMO, Attachment L DHMO Technical Response (Part II) including data on the most utilized providers and facilities and disruption reports for completion of Attachments L-11 and L-12.

3. For Functional Area 2 – DPPO, Attachment O DPPO Technical Response (Part II) including data on the most utilized providers and facilities and disruption reports for completion of Attachment O-11.
4. Data including utilization and enrollment by plan to be used in the preparation of financial proposal(s). (Attachments N-1 through N-7).

This additional information will be mailed to each Offeror via FedEx, UPS or DHL upon receipt of the Non-Disclosure Agreement. If the Offeror brings the Non-Disclosure Agreement to the Pre-Proposal Conference, the data will be provided at that time. The data will not be e-mailed to Offerors.

1.31 Living Wage

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 entitled “Living Wage Requirements for Service Contracts”). If the Offeror fails to submit and complete the Living Wage Affidavit of Agreement (See Attachment K), 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 \$11.30 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 \$8.50 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, then the contract will be deemed to be a Tier 1 contract. The Offeror must identify in their Offer the location(s) from which services will be provided.

Information pertaining to reporting obligations may be found by going to the DLLR Website <http://www.dllr.state.md.us/> and clicking on Living Wage.

1.32 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 certain such delays or failures, 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 of Attachment O, as applicable; 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 Performance Guarantees in Attachments L-9 and O-9, respectively, for Functional Areas 1 and 2.

1.33 Electronic File Transfers

All electronic file transfers between the Department of Budget and Management and the Contractor shall be exchanged using a point to point Virtual Private Network (VPN) connection approved by the State of Maryland, Department of Budget and Management.

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SECTION 2 – OFFEROR MINIMUM QUALIFICATIONS

2.1 Minimum Qualification Requirements

The Contractor shall:

- For all functional areas, have an A.M. Best or Standard & Poor's insurance rating of no less than A, and
- Be licensed in Maryland at the time of proposal submission to provide the plan services for which the proposal is being submitted.

2.2 Minimum Qualification Proof

The list of documentation below represents the form of proof necessary to demonstrate that minimum qualifications are met.

- 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 documents shall be originated by either A.M. Best or Standard & Poor.
- A copy of the Offeror's Certificate of Authority issued by the Maryland Insurance Administration (MIA), for the type of plan proposed.

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SECTION 3 – SCOPE OF WORK

3.1 Description of Current Program

The State of Maryland currently offers its Members two (2) stand alone Dental Health Maintenance Organization (DHMO) plans and one Dental Preferred Provider Organization (DPPO) plan as follows:

Vendor	Plan Type
United Concordia	DPPO
United Concordia	DHMO
Dental Benefit Providers/UnitedHealth Care	DHMO

There are approximately 119,000 Members eligible for the State’s dental plans. There are approximately 88,334 currently enrolled in the dental plans as follows:

Vendor	Approximate Enrollment
United Concordia-DPPO	46,886
United Concordia-DHMO	27,907
Dental Benefit Providers/United Health Care-DHMO	13,541

Participants receive subsidized dental benefit coverage. The State currently provides a subsidy at 50% of premium rates.

Summaries of current plan coverage for both active employees and retirees are provided at the DBM web site:

http://www.dbm.maryland.gov/portal/server.pt?open=512&objID=281&parentname=CommunityPage&parentid=2&mode=2&in_hi_userid=1332&cached=true

3.2 Background

The State provides an expansive range of employee benefit plans to approximately 76,600 active employees, 37,500 retirees, 2,800 Satellite Account Employees, 2,500 Direct Pay Enrollees, and their covered dependents.

Benefit plans include health (including behavioral health), dental, group term life, accidental death and dismemberment, flexible spending accounts, prescription drugs, and long term care.

These benefits are offered to a diverse workforce that includes clerical, administrative, technical, professional, maintenance, educational (State colleges and universities), public safety and appointed and elected officials at more than 250 different worksites.

Due to the large number of State employees, diverse population and numerous employee work locations, the State sponsors annual Benefit Fairs during each annual open enrollment period. The State expects to conduct 150 or more Benefit Fairs throughout the State each year to answer employee questions and

provide plan overview information.

The State is seeking proposals from qualified organizations to provide a fully insured Dental HMO (DHMO) and a fully insured Dental PPO (DPPO) for eligible Participants of the State's plan effective on July 1, 2009.

Summaries of the current and proposed designs for the dental plans are provided in **Attachment L-3: DHMO Plan Design** Worksheet and **Attachment O-3: DPPO Plan Design** Worksheet. Offerors must clearly and explicitly delineate in **Attachment L-2 Explanations and Deviations** and **Attachment O-2 Explanations and Deviations**, as appropriate, any deviations between the coverage they are quoting on and the State's plan design as contained in this RFP. Otherwise, the Offeror's submission of a proposal will be considered the Offeror's agreement to provide all proposed plan provisions, as specified in this RFP.

3.2.1 Enrollment and Coverage Effective Dates

Each Plan Year begins on July 1 and runs to the succeeding June 30. An annual open enrollment period is held each year, with elections for all medical and dental plans - excluding flexible spending accounts - rolling over to the next plan year if a member does not change coverage elections.

Plan enrollment is conducted in accordance with cafeteria plan (IRC Section 125) regulations. New employees must elect or waive coverage within the first 60 days of hire. Mid-year coverage election changes may be made within 60 days of change in circumstances.

There are no pre-existing conditions exclusions and no proof of insurability is required for medical and dental plans.

3.3 Project Implementation Milestones and Due Dates

Following are the high level milestones and the State's desired due dates, where applicable:

DATE	ACTIVITY
Within 30 calendar days of contract start date	<ol style="list-style-type: none"> 1) Begin implementation meetings with the State of Maryland 2) Provide Plan Benefits booklets for State review and approval. 3) Contractor must establish the necessary account with the Comptroller's Office to enable electronic funds transfer. See Section 1.33.
Within 60 calendar days of contract start date	<ol style="list-style-type: none"> 1) Complete testing to ensure accurate and secure transmission of enrollment data. 2) If requested, provide network service area zip codes for the State's voice enrollment system.
By 1/1/09	Completion of vendor implementation plan transition protocols, including information transfers.
Mid -March 2009	<ol style="list-style-type: none"> 1) Attend Benefit Coordinators Training Sessions 2) Provide marketing materials for distribution.
April and May 2009	<ol style="list-style-type: none"> 1) Attend Open Enrollment and Benefit Fairs 2) Provide marketing materials and information.
Prior to May 29, 2009	Receive, load and audit positive file for enrollment and coverage

DATE	ACTIVITY
	beginning July 1, 2009.
Prior to June 12, 2009	Issue Identification Cards
July 1, 2009	Commence Benefit Coverage and administration of plan/benefits.

3.4 General Requirements for All Functional Areas

- A. Eligibility for coverage under the group health plans administered by the Contractor(s) shall be determined pursuant to the terms of this RFP. See RFP section 1.2 for definitions of eligible Members and Dependents.
- B. The Contractor shall provide an insured group dental benefits plan that offers affordable coverage for all basic, preventative, restorative, and other necessary dental care for Members and Dependents.
- C. The following are general requirements applying to each functional area; each is outlined further in the attachments to this RFP. Each requirement should be addressed fully in the Offeror's Response.

3.4.1 Staffing

The Contractor shall provide adequate staffing for effective management and performance of its obligations in at least the following areas: account management, claims processing, claims appeals, customer/member services, reporting, and data management and production.

3.4.2 Performance Guarantees

The Contractor shall comply with the performance guarantees set forth in Attachments L-9 and O-9, as applicable. Any additional performance guarantees being offered should be included in the Executive Summary.

3.4.3 Data and Reporting

- A. The Contractor shall provide reports and submit data to the State and to other entities on behalf of the State. To the extent that reports are requested, during the contract term, that are materially different from the reporting requirements detailed in the RFP, please see Section 2.3 of the Contract Attachment A.
- B. The Contractor should provide to the State the reports as outlined under the reporting section in the Compliance Checklist in Attachments L-6 and O-6, respectively, for Functional Areas 1 and 2.
- C. The Contractor shall provide, at a minimum, its standard reports in its Technical Proposal to the Department for all periods covered by this Contract. This obligation shall survive termination of the Contract.

3.4.4 Claims Processing and Payment

The Contractor shall process and pay claims in an accurate and timely manner pursuant to the Plan Design provided in Attachments L-3 and O-3, respectively, for Functional Areas 1 and 2. The Contractor shall provide at a minimum claims processing services as outlined under the Claims Processing section in the Compliance Checklist in Attachments L-6 and O-6, respectively, for Functional Areas 1 and 2.

3.4.5 Fraud Detection and Prevention

The Contractor shall administer a fraud prevention and detection program and cooperate with the State's efforts to eliminate and prosecute health care fraud.

3.4.6 Customer Satisfaction

Dental Services must be delivered to ensure the highest level of customer service for State plan members. The Contractor should maintain an 85% member satisfaction rate as measured through a random sample of members and assessed by the State's annual Customer Satisfaction Survey.

3.4.7 Network Development and Maintenance

The Contractor shall meet the dental care needs of The State of Maryland and its employees through the development and maintenance of adequate provider networks. The Contractor agrees to develop and adhere to a detailed network development and maintenance plan based on the State's needs and agreed to by the Contract Manager.

3.5 Description of Scope of Work

- A. Significant detailed provisions regarding the minimum expectations of the services to be provided by the Contractor are provided in the Excel-based portions of this Technical Proposal (Attachments L, O, and N). All required signatures, explanations, and attachments must be included in the Offeror's proposal.
- B. This RFP includes files containing response pages and supporting data to complete a proposal to the technical requirements of this RFP. The files are in Microsoft Excel (.xls) format and have been compressed to a self-extracting ZIP (.zip) file using WinZip. The files, Attachments L, N, O, and P for Functional Areas 1 and 2, are summarized as follows:

ATTACHMENT L: DHMO TECHNICAL PROPOSAL

[Filename: Attachment L_DHMO Technical Proposal (Part I).xls]

- L-1: Proposal Request
- L-2: Explanations and Deviations
- L-3: DHMO Plan Design
- L-4: DHMO Provider Access
- L-5: DHMO Dental Providers
- L-6: Compliance Checklist
- L-7: Questionnaire
- L-7b: Additional Responses to Questionnaire
- L-8(a-f): Subcontractors Questionnaire
- L-9: Performance Guarantees
- L-10: Plan Measures

ATTACHMENT L: DHMO TECHNICAL PROPOSAL

[Filename: Attachment L_DHMO Technical Proposal (Part II).xls]

- L-11: Disruption based on Enrollment by Provider (Dental Benefit Providers DHMO)
- L-12: Disruption based on Enrollment by Provider (United Concordia DHMO)

ATTACHMENT N: DENTAL SUPPLEMENTAL DATA

[Filename: Attachment N_Dental Supplemental Data.xls]

- N-1a: Utilization and Cost Schedule
- N-1b: Membership Analysis
- N-1c: DPPO Network Utilization
- N-2: Census Data Layout
- N-3: Dental Enrollment Summary as of 11/30/2007
- N-4: DBP DHMO Claims & Enrollment
- N-5: UCCI DHMO Claims & Enrollment
- N-6: UCCI DPPO Claims & Enrollment
- N-7a: DHMO Utilization Summary (DBP)
- N-7b: DPPO Utilization Summary (UCCI)
- N-7c: DHMO Utilization Summary (UCCI)

ATTACHMENT O: DPPO TECHNICAL PROPOSAL

[Filename: Attachment O_DPPO Technical Proposal (Part I).xls]

- O-1: Proposal Request
- O-2: Explanations and Deviations
- O-3: DPPO Plan Design
- O-4: DPPO Provider Access
- O-5: DPPO Dental Providers
- O-6: Compliance Checklist
- O-7: Questionnaire
- O-7b: Additional Responses to Questionnaire
- O-8(a-f): Subcontractors Questionnaire
- O-9: Performance Guarantees
- O-10: Plan Measures

ATTACHMENT O: DPPO TECHNICAL PROPOSAL

[Filename: Attachment O_DPPO Technical Proposal (Part II).xls]

- O-11: Disruption based on Paid Claims (United Concordia DPPO)

3.6 Payment Terms

3.6.1 Payment Specifications

For both functional areas, the Contractor shall not receive compensation for implementation services performed prior to July 1, 2009.

For both functional areas, the Contractor shall accept the payment procedures and parameters outlined in 3.6.2 for premium payments by the State.

3.6.2 Payment Procedures

The Contractor shall:

- A. Accept monthly payments from the State of administration fees (for the State Plan) based on the State's deduction report data (calculated by the State). [ex. November's payment reconciles September actual deductions to September's estimated payment and estimates November payment based on September's actuals]

- B. Accept payment from the State as processed through normal State transmittal process (i.e., transmittal sent to Annapolis, EFT transfer to Offeror. Payment is usually made by the 27th of each month.)
- C. For any recoveries as a result of fraud or an audit, pay the State any portion due it via a separate check payment and provide documented substantiation. The Contractor shall report on activity twice a year, at six-month intervals.
- D. The State shall make payment to the Contractor as follows:

Active employees: Active employees are generally paid on a biweekly basis, with deductions for health plan coverage taken from 24 paychecks. State Employees who work at the University of Maryland or other State colleges or universities may choose a paycheck schedule in which they are not paid over the summer months (21-pay). These individuals may have multiple benefit deductions in their last scheduled deduction before the summer months. Certain employees of the Maryland General Assembly and Judiciary, i.e., State legislators and Judges, are paid on a monthly basis. Deductions will occur on a monthly, rather than a bi-weekly basis for these employees. Satellite agencies who participate in the State program remit premium monthly.

The State will send a payment to the Contractor once a month. The first payment for the fiscal year is paid in mid August. This payment will provide an estimated payment for the months of July and August. The estimate is based on the first Central Payroll and University of Maryland deduction report for the month of July. The State will multiply this first payroll by four, thereby estimating two months worth of deductions. The next payment for the plan year will be paid in September and will include reconciliation for July. The Contractor should receive this payment around mid-September. For example:

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Payment #1 – July and August Payment

First deduction report in January for CPB employees		\$500,000
for USM employees		<u>\$250,000</u>
		\$750,000
July estimated payment	2 x \$750,000 =	\$1,500,000
August estimated payment	2 x \$750,000 =	<u>\$1,500,000</u>
Payment #1 of plan year		\$3,000,000

Payment #2 – September Payment

Actual deductions for July CPB – P.P.E. 01/11		\$500,000
P.P.E. 01/25		\$550,000
USM– P.P.E. 01/15		\$250,000
P.P.E. 01/29		<u>\$260,000</u>
Total July actual deductions		\$1,560,000
July estimated payment:	2 x \$750,000 =	\$1,500,000
Adjustment for July		\$60,000
March estimated payment based on July actual payment		\$1,560,000
Payment #2 – September 15th		\$1,620,000

Payment # 3 will adjust for August and provide an estimated payment for October.

Payments #4 through #12 will follow same procedure through the plan year.

These payments will also include any retroactive adjustments and No Pay payments (i.e. late payments for a prior period of coverage) received during the month.

Retirees: Pension and retirement allowance payments are processed at the end of the month, and deductions are taken once a month. The State will send a payment to the Contractor once a month based upon the actual deduction reports from the State Retirement System. The first payment for the fiscal year is paid in early August because deduction reports are not available until the first of the month following the period of coverage.

Payment #1 - July payment will be paid around the middle of August based on the actual July retiree deduction report.

Payment #2 - August payment will be paid around the middle of September based on the actual August retiree deduction report.

Payments #3 through #12 will follow the same procedure.

Retiree payments may also include any retroactive adjustments received during the month.

Direct Pay Enrollees: This category includes contractual employees and other individuals who are billed directly by the State for their health coverage. The State will send a payment to the Contractor once a month. These payments are based on actual premiums received during a calendar month. The first payment for the fiscal year is paid in early August. This payment will include all premiums received during the month of July, regardless of the month(s) for which premiums are being paid. For example, if the State receives a payment from an individual in July

that pays for the months of July through October, the State will forward payment for the four months. A report detailing individuals for whom premiums have been received during the prior month will be forwarded to the Contractor to support the monthly payment.

Payment #1 - July payment will be paid toward the end of August based on the actual premiums received during the month of July.

Payment #2 - August payment will be paid toward the end of September based on the actual premiums received during the month of July.

Payments #3 through #12 will follow the same procedure.

Satellite Account Employees: This category includes governmental and non-profit agencies covered by the State's program. The State will send a payment to the Contractor once a month. These payments are based on actual premiums received during a calendar month. The first payment for the calendar year is paid in early August. This payment will include all premiums received during the month of July, regardless of the month(s) for which premiums are being paid. For example, if the State receives a payment from an agency in July that pays for the months of July and August, the State will forward payment for the two months. A report detailing individuals for whom premiums have been received during the prior month will be forwarded to the Contractor to support the monthly payment.

Payment #1 - July payment will be paid around the 15th of August based on the actual premiums received during the month of July.

Payment #2 - August payment will be paid around the 15th of September based on the actual premiums received during the month of July.

Payments #3 through #12 will follow the same procedure.

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SECTION 4 – PROPOSAL FORMAT

4.1 Two Part Submission

Offerors must submit proposals in two separate volumes for each functional area being submitted:

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

Clearly identify the name of the functional Area (DHMO or DPPO) being submitted on the cover of each volume of each proposal. (For example, if the Offeror is submitting a proposal for the DHMO functional area, the volumes should be labeled “Volume I – Functional Area 1-DHMO Technical Proposal” and “Volume II – Functional Area 1-DHMO Financial Proposal”.)

4.2 Proposal Submission

For each Functional Area proposed, 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. Each sealed package shall bear the RFP title and number, Functional Area, name and address of the Offeror, the Volume number (I or II), and closing date and time for receipt of the proposals on the outside of the package.

Each sealed package shall contain an unbound original, so identified, and six (6) copies of each proposal volume submitted. All pages of both proposal volumes shall be consecutively numbered from beginning (Page 1) to end (Page “x”).

Two electronic versions of the Volume I – Technical Proposal and two electronic versions of the 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 CDROM and shall bear a label on the outside containing the RFP title and number, Functional Area, the name of the Offeror, and the Volume number (I or II).

4.3 Volume I – Technical Proposal

4.3.1 Transmittal Letter

A transmittal letter shall accompany the Technical Proposal(s); if submitting for more than one functional area, 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’s responsibilities in Section 1.26. Offeror should also indicate the functional area(s) (DPPO and/or DHMO) to which they are proposing and the name, title and number for contact regarding this solicitation and RFP.

4.3.2 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 Offeror’s Technical Proposal. An explanation for each claim of confidentiality shall be included.

4.3.3 Executive Summary

The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled “Executive Summary” including how the Offeror meets the minimum qualifications outlined in RFP **Section 2-Offeror Minimum Qualifications**. The summary shall also clearly identify the legal entity/entities responsible for submitting the proposal(s).

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. 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. *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.

The summary should also identify any additional or optional services that have not been requested but are being offered without additional charge. Such services may include administration services and/or additional benefits to the members. Any Performance Guarantees being offered, in addition to the required Performance Guarantees, should be outlined in the Executive Summary.

Following the narrative portion of the Executive Summary, attach the proofs required to show minimum qualifications outlined in **Section 2-Offeror Minimum Qualifications** have been met. 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 Offeror’s proposal may be deemed not reasonably susceptible for award and eliminated from further consideration.

4.3.4 Technical Response

- A. The technical proposal must include a detailed response to Section 3.4-Description of General Requirements, in Microsoft Word format, demonstrating that the Offeror has a comprehensive understanding of the requirements. The Offeror must include an explanation of the methodology of how the work will be done. In response to Section 3.4, please do not repeat information provided in the Microsoft Excel files, Attachments L and O, as summarized below.
- B. The Offeror must complete the following sections included in the Excel files for each proposed functional area.

For Functional Area 1-DHMO [Filename: Attachment L_DHMO Technical Proposal (Part I).xls]	Signature Required
Attachment L: DHMO Technical Proposal	
Attachment L-1: Proposal Request	✓
Attachment L-2: Explanations and Deviations	✓
Attachment L-3: DHMO Plan Design	✓
Attachment L-4: DHMO Access	
Attachment L-5: DHMO Dental Providers	

Attachment L-6: Compliance Checklist	✓
Attachment L-7: Questionnaire	✓
Attachment L-7b: Additional Responses to Questionnaire	
Attachment L-8a: Subcontractors Questionnaire ¹	✓
Attachment L-8b: Subcontractors Questionnaire ¹	✓
Attachment L-8c: Subcontractors Questionnaire ¹	✓
Attachment L-8d: Subcontractors Questionnaire ¹	✓
Attachment L-8e: Subcontractors Questionnaire ¹	✓
Attachment L-8f: Subcontractors Questionnaire ¹	✓
Attachment L-9: Performance Guarantees	✓
Attachment L-10: Plan Measures	

¹ Only completed Subcontractors Questionnaires need to be printed in hard copy form.

For Functional Area 1-DHMO [Filename: Attachment L_DHMO Technical Proposal (Part II).xls]	Signature Required
Attachment L-11: Disruption based on Enrollment by Providers (Dental Benefit Providers DHMO)	✓
Attachment L-12: Disruption based on Enrollment by Provider (United Concordia DHMO)	✓

For Functional Area 2-DPPO [Filename: Attachment O_DPPO Technical Proposal (Part I).xls]	Signature Required
Attachment O: DPPO Technical Proposal	
Attachment O-1: Proposal Request	✓
Attachment O-2: Explanations and Deviations	✓
Attachment O-3: DPPO Plan Design	✓
Attachment O-4: DPPO Access	
Attachment O-5: DPPO Dental Providers	
Attachment O-6: Compliance Checklist	✓
Attachment O-7: Questionnaire	✓
Attachment O-7b: Additional Responses to Questionnaire	
Attachment O-8a: Subcontractors Questionnaire ¹	✓
Attachment O-8b: Subcontractors Questionnaire ¹	✓
Attachment O-8c: Subcontractors Questionnaire ¹	✓
Attachment O-8d: Subcontractors Questionnaire ¹	✓
Attachment O-8e: Subcontractors Questionnaire ¹	✓
Attachment O-8f: Subcontractors Questionnaire ¹	✓
Attachment O9: Performance Guarantees	✓
Attachment O-10: Plan Measures	

¹ Only completed Subcontractors Questionnaires need to be printed in hard copy form.

For Functional Area 2-DPPO [Filename: Attachment L_DPPO Technical Proposal (Part II).xls]	Signature Required
Attachment O-11: Disruption based on Paid Claims (United Concordia DPPO)	✓

4.3.5 Subcontractors

Offerors must identify subcontractors, including MBEs, and the role these subcontractors will have in the performance of the contract. The Offeror should include responses to the Subcontractor Questions, Attachment L-8 and/or Attachment O-8, as applicable, for each subcontractor proposed to be used on this contract.

4.3.6 Economic Benefit Factors

The Offeror shall describe the benefits that will accrue to the State economy as a direct or indirect result of the Offeror's performance of the Contract resulting from this RFP. The Offeror will take into consideration the following elements. (Do not include any detail of the Financial Proposals with this technical information):

- A. The estimated percentage of 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. Offerors should be as specific as possible and provide a percentage breakdown of expenditures in this category.
- B. The estimated number and types of jobs for Maryland residents resulting from this Contract. Indicate job classifications, number of employees in each classification, and the aggregate Maryland payroll percentages to which the Contractor has committed at both prime and, if applicable, subcontract levels.
- C. Tax revenues to be generated for Maryland and its political subdivisions as a result of this Contract. Indicate tax category (sales tax, inventory taxes and estimated personal income taxes for new employees). Provide a forecast of the total tax revenues resulting from the Contract.
- D. The estimated percentage of subcontract dollars committed to Maryland small businesses and MBEs.

4.3.7 Responsibility

Additional information is necessary for the State to determine that the Offeror has the capability in all respects to perform fully the contract requirements, and the integrity and reliability that shall assure good faith performance:

- A. 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 (5) years. This information shall include notice whether the Offeror's organization has had its license to write or issue insurance – for any line of business - suspended or revoked in any jurisdiction within the last 5 years, along with an explanation.
- B. Evidence that the Offeror has financial capacity to provide the services such as:
 - Copies of the last two (2) year end audited financial statements or best available equivalent report and an analysis of those financial statements/reports. (independently audited preferred).
 - Abbreviated profit and loss statements and abbreviated balance sheets for the last two years.

The requested financial information must be for the entity proposing to provide services under this contract and not for any prospective owners or parent companies not directly involved in the provision of services.

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

In addition to the information specified above, the Offeror must complete, as necessary and submit the following attachments:

For Functional Area 1-DHMO

Required Submission	Title
Geo-Access Report	Label as "Response Attachment L-1: Geo-Access Report"
Management Reporting Package	Label as "Response Attachment L-1: Management Reporting Package"
Claims Appeals Protocols	Label as "Response Attachment L-1: Claims Appeals Protocols"
Certificates of Insurance including Errors and Omissions and Commercial General Liability	Label as "Response Attachment L-7: Certificates of Insurance"
Provider Satisfaction Survey	Label as "Response Attachment L-7: Provider Satisfaction Survey"
Dental Director Resume	Label as "Response Attachment L-7: Dental Director Resume"
Implementation Team Organizational Chart	Label as "Response Attachment L-7: Implementation Team Organizational Chart"
Implementation Plan	Label as "Response Attachment L-7: Implementation Plan"
Account Management Team Organizational Chart	Label as "Response Attachment L-7: Account Management Team Organizational Chart"
Account Management Support including Resumes	Label as "Response Attachment L-7: Account Management Support".
Completed Bid/Proposal Affidavit	Attachment B
Certified MBE Utilization and Fair Solicitation Affidavit	Attachment D-1
MBE Participation Schedule	Attachment D-2
Completed Living Wage Affidavit of Agreement	Attachment K

For Functional Area 2-DPPO

Required Submission	Title
Geo-Access Report	Label as "Response Attachment O-1: Geo-Access Report"
Management Reporting Package	Label as "Response Attachment O-1: Management Reporting Package"
Claims Appeals Protocols	Label as "Response Attachment O-1: Claims Appeals Protocols"

Required Submission	Title
Certificates of Insurance including Errors and Omissions and Commercial General Liability	Label as "Response Attachment O-7: Certificates of Insurance"
Provider Satisfaction Survey	Label as "Response Attachment O-7: Provider Satisfaction Survey"
Dental Director Resume	Label as "Response Attachment O-7: Dental Director Resume."
Implementation Team Organizational Chart	Label as "Response Attachment O-7: DPPO Implementation Team Organizational Chart"
Implementation Plan	Label as "Response Attachment O-7: DPPO Implementation Plan"
Account Management Team Organizational Chart	Label as "Response Attachment O-7: DPPO Account Management Team Organizational Chart"
Account Management Support including Resumes	Label as "Response Attachment O-7: DPPO Account Management Support"
Completed Bid/Proposal Affidavit	Attachment B
Certified MBE Utilization and Fair Solicitation Affidavit	Attachment D-1
MBE Participation Schedule	Attachment D-2
Completed Living Wage Affidavit of Agreement	Attachment K

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4.4 Volume II - Financial Proposal

- A. The Financial Proposal must contain all cost information in the format specified in Attachments M and P and the related Exhibits, as appropriate. Complete the cost sheets only as provided here and in the Price Proposal Instructions on the Cover Page tab.
- B. Offeror must provide firm, fixed monthly premium rates by tier level as outlined in Attachments M and P. The State expects the Offeror who is awarded a contract under this solicitation to validate its rates for contract years 1 through 5, and if warranted based on renewal negotiations with the State, to reduce the premium rates quoted in its proposal.

All fees must be quoted on a fully loaded basis, i.e., fees must include all direct and indirect costs, general and administrative overhead, purchasing burden and profit. No other fees or charges may be added to the contract after award, nor will the Contractor be compensated on any basis other than the applicable fully loaded rates.

- C. For each functional area the RFP contains an Excel file containing instructions and response pages for financial proposals. Offeror's **Volume II – Financial Proposal** must be submitted in the format specified below.

For Functional Area 1 – DHMO

For Functional Area 1-DHMO [Filename: Attachment M_DHMO Financial Proposal.xls]	Signature Required
Attachment M: DHMO Financial Proposal	
Attachment M-1: DHMO Financial Proposal	
Attachment M-2: Financial Compliance Checklist	✓
Attachment M-3: Explanations and Deviations	✓
Attachment M-4: Fully Insured Maximum Premium Rates (DHMO)	✓
Attachment M-5: Premium Illustration (DHMO)	

For Functional Area 2 – DPPO

For Functional Area 2-DPPO [Filename: Attachment P_DPPO Financial Proposal.xls]	Signature Required
Attachment P: DPPO Financial Proposal	
Attachment P-1: DPPO Financial Proposal	
Attachment P-2: Financial Compliance Checklist	✓
Attachment P-3: Explanations and Deviations	✓
Attachment P-4: Fully Insured Maximum Premium Rates (DPPO)	✓
Attachment P-5: Offeror's Premium Analysis (DPPO)	
Attachment P-6: DPPO Provider Reimbursement History	

Historical enrollment and claims information is provided in **Attachment N** labeled “Dental Supplemental Data.”

The files are in Microsoft Excel (.xls) format and have been compressed using WinZip. The files must be decompressed using the WinZip program in order to be accessed.

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 are listed in descending order of importance:

1. Network Access including the Offeror’s current network size, accessibility and stability.
2. Offeror’s ability to cover current eligible participants.
3. Comparability of Proposed Plan Designs to existing Plan Designs for Functional Areas 1 and 2.
4. Corporate Experience and Capability including for example, the Offerors capacity to deliver services, experience in providing required service, and past performance on similar contracts. Evaluation of an Offeror’s capability shall include but not be limited to consideration of the following sub factors:
 - Claims processing
 - Member services
 - Eligibility
 - Reporting
 - Comprehensive IT support for all functions
 - Administration
5. Staffing (Account Management and Implementation) Plan, Personnel, Qualification and Professional Experience
6. Subcontractors (RFP Section 4.3.5)
7. Economic Benefit Factors (RFP Section 4.3.6)

5.3 Financial Criteria

All qualified Offerors will be ranked from the lowest to the highest price based on their total price proposed for the appropriate functional area.

For Functional Area 1 – DHMO, the ranking will be based on the “Cumulative Cost Contract Years 1-5” as provided by the Offeror in Financial Proposal Attachment M-4: Fully Insured Maximum Premium Rates (DHMO) line 7.

For Functional Area 2 – DPPO, the ranking will be based on the “Cumulative Cost for Contract Years 1-5” as provided by the Offeror in the Financial Proposal Attachment P-4a Fully Insured Maximum Premium Rates (DPPO) line 7.

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 Offeror's 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 Offeror's 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 Offeror's 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).

5.5.3 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 functional area 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 be given greater weight than 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 Offeror’s 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 – Minority Business Enterprise Forms and Instructions

ATTACHMENTS D-1, D-2, and D-2 Supplement – MBE Utilization and Fair Solicitation Affidavit. These forms must be submitted with the Offeror’s technical proposal.

ATTACHMENTS D-3, and D-4 – Other MBE forms. These must be submitted to the Procurement Officer by the selected Offeror within 10 working days of notification of proposed contract award

ATTACHMENTS D-5 and D-6 – Other MBE forms. These forms are submitted monthly.

ATTACHMENT E– NAIC 120-1 Model COB Contract Provisions

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

ATTACHMENT G – Proposal Submission 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 is a new requirement recently enacted by law. This attachment explains the main features of the legislation and the requirements that Contractors must meet.

ATTACHMENT K – Living Wage Affidavit of Agreement. The affidavit asks for acknowledgement of understanding and consent to comply with Living Wage provisions of the Contract.

ATTACHMENT L – DHMO TECHNICAL PROPOSAL (Part I)

- L-1: Proposal Request
- L-2: Explanations and Deviations
- L-3: DHMO Plan Design
- L-4: DHMO Provider Access
- L-5: DHMO Dental Providers
- L-6: Compliance Checklist
- L-7: Questionnaire
- L-7b: Additional Responses to Questionnaire
- L-8a: Subcontractors Questionnaire

- L-8b: Subcontractors Questionnaire
- L-8c: Subcontractors Questionnaire
- L-8d: Subcontractors Questionnaire
- L-8e: Subcontractors Questionnaire
- L-8f: Subcontractors Questionnaire
- L-9: Performance Guarantees
- L-10: Plan Measures

ATTACHMENT L – DHMO TECHNICAL PROPOSAL (Part II)

[Provided upon receipt of signed non-disclosure agreement.]

- L-11: Disruption based on Enrollment by Providers (Dental Benefit Providers DHMO)
- L-12: Disruption based on Enrollment by Provider (United Concordia DHMO)

ATTACHMENT M – DHMO FINANCIAL PROPOSAL

- M-1: DHMO Financial Proposal
- M-2: Financial Compliance Checklist
- M-3: Explanations and Deviations
- M-4: Fully Insured Maximum Premium Rates (DHMO)
- M-5: Premium Illustration (DHMO)

ATTACHMENT N – DENTAL SUPPLEMENTAL DATA

- N-1a: Utilization and Cost Schedule
- N-1b: Membership Analysis
- N-1c: DPPO Network Utilization
- N-2: Census Data Layout
- N-3: Dental Enrollment Summary as of 11/30/2007
- N-4: DBP DHMO Claims & Enrollment
- N-5: UCCI DHMO Claims & Enrollment
- N-6: UCCI DPPO Claims & Enrollment
- N-7a: DHMO Utilization Summary (DBP)
- N-7b: DPPO Utilization Summary (UCCI)
- N-7c: DHMO Utilization Summary (UCCI)

ATTACHMENT O – DPPO TECHNICAL PROPOSAL (Part I)

- O-1: Proposal Request
- O-2: Explanations and Deviations
- O-3: DPPO Plan Design
- O-4: DPPO Provider Access
- O-5: DPPO Dental Providers
- O-6: Compliance Checklist
- O-7: Questionnaire
- O-7b: Additional Responses to Questionnaire
- O-8a: Subcontractors Questionnaire
- O-8b: Subcontractors Questionnaire
- O-8c: Subcontractors Questionnaire
- O-8d: Subcontractors Questionnaire
- O-8e: Subcontractors Questionnaire
- O-8f: Subcontractors Questionnaire
- O-9: Performance Guarantees
- O-10: Plan Measures

ATTACHMENT O – DPPO TECHNICAL PROPOSAL (Part II)

[Provided upon receipt of signed non-disclosure agreement.]

O-11: Disruption based on Paid Claims (United Concordia DPPO)

ATTACHMENT P – DPPO FINANCIAL PROPOSAL

- P-1: DPPO Financial Proposal
- P-2: Financial Compliance Checklist
- P-3: Explanations and Deviations
- P-4: Fully Insured Maximum Premium Rates (DPPO)
- P-5: Offeror's Premium Analysis (DPPO)
- P-6: DPPO Provider Reimbursement History

Attachment A – Contract

DENTAL PLAN ([DENTAL PREFERRED PROVIDER ORGANIZATION] [DENTAL HEALTH MAINTENANCE ORGANIZATION]) ADMINISTRATION AND INSURANCE SERVICES

THIS CONTRACT is made this ____ day of _____, 2008 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 Dental Plan ([Dental Preferred Provider Organization] [Dental Health Maintenance Organization]) Administration and Insurance Services.
- 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 _____, 2008.
- 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 Dental Plan ([Dental Preferred Provider Organization] [Dental Health Maintenance Organization]) Administration and Insurance Services, No. F10B8200014, dated April 14, 2008.
- 1.10 “State” means the State of Maryland.
- 1.11 “Technical Proposal” means the Contractor’s Technical Proposal, dated _____, 2008 as supplemented and revised by the Contractor’s subsequent responses to questions, requests for cure, and BAFO submitted through _____, 2008.

2. Scope of Work

- 2.1 The Contractor shall provide administration, insurance coverage, and other services in connection with the [Dental Preferred Provider Organization or Dental Health Maintenance Organization] health plan offered by the State, as more fully described in the RFP and the Contractor’s Technical Proposal. These services shall be provided in accordance with this Contract and the following exhibits, which are incorporated herein by reference:

Exhibit A – The RFP.

Exhibit B – The Technical Proposal.

Exhibit C – The Financial Proposal.

Exhibit D – Contract Affidavit.

- 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 article 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 October 1, 2008 and shall end on June 30, 2014. The Contractor shall provide insurance coverage beginning July 1, 2009. The Contractor's obligations as the insurer with respect to covered services 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. The Contractor shall not receive any other payment for implementation and administrative services.
- 4.2 The Contractor's federal tax identification number is _____, which must be reflected on any invoice submitted to the State. The Contractor's e-MarylandMarketplace identification number is _____. Payments to the Contractor pursuant to this Contract shall be made no later than 30 days after such payment is due as provided in the RFP. 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. This provision shall not be read to limit confidentiality provisions and obligations provided in the RFP.

7. 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 become or be an employee of the Contractor or any entity that is a subcontractor on this Contract.

8. 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.

9. Maryland Law

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

10. 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, 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.

11. 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 bona fide agent, any fee or other consideration contingent on the making of this Contract.

12. Nonavailability 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 this Contract for each succeeding fiscal period beyond the first.

13. 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.

14. 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).

15. 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.

16. 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.

17. 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.

18. 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.

19. 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.

20. 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 this Contract.

21. 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.

22. 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.

23. Living Wage

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.

- 23.1 Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least \$11.30 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 \$8.50 per hour. If Contractor is an out of state contractor, this contract is determined to be a Tier 1 Contract.
- 23.2 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.

- 23.3 The Contractor shall make any subcontractor on this Contract aware of the Living Wage law requirements.

24 Commercial Non-Discrimination

24.1 As a condition of entering into this Contract, 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, 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. 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. 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 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.

24.2 The Contractor shall include the above Commercial Nondiscrimination clause, or similar clause approved by the Department of Budget and Management, in all subcontracts.

24.3 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.

25. 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.

26. Indemnification

- 26.1 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.
- 26.2 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.
- 26.3 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.
- 26.4 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.

27. Administrative

- 27.1 **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.
- 27.2 **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
 Director of Employee Benefits
 301 W. Preston Street, Room 510
 Baltimore, MD 21201

With a copy to:

Gabriel Gnall
 Procurement Officer
 Department of Budget and Management
 Room 140
 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 of _____, 2008.

Assistant Attorney General

APPROVED BY BPW: _____
(Date)

(BPW Item #)

Attachment B – Bid/Proposal Affidavit

(Authorized Representative and Affiant)

A. AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the (title) _____ and the duly authorized representative of (business) _____ and that I possess the legal authority to make this Affidavit on behalf of myself and 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 vendors, 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.

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 §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 the §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 subsection (1) through (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; or
- (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 — C and subsections (1) through (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 §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. FINANCIAL DISCLOSURE AFFIRMATION

I FURTHER AFFIRM THAT:

I am aware of, and the above business will comply with, the provisions of §13-221 of the State Finance and Procurement Article of the 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.

J. 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.

K. 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 whom 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:
 - (i) The dangers of drug and alcohol abuse in the workplace;
 - (ii) The business' 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 §K(2)(b), above;
 - (h) Notify its employees in the statement required by §K(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 §K(2)(h)(ii), above, or otherwise receiving actual notice of a conviction;
 - (j) Within 30 days after receiving notice under §K(2)(h)(ii), above, or otherwise receiving actual notice of a conviction, impose 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 §K(2)(a)—(j), above.
- (3) If the business is an individual, the individual shall certify and agree as set forth in §K(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.

L. CERTIFICATION OF CORPORATION REGISTRATION AND TAX PAYMENT

I FURTHER AFFIRM THAT:

- (1) The business named above is a (domestic) (foreign) corporation registered in accordance with the Corporations and Associations Article, Annotated Code of Maryland, and that it is in good standing and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation, and that the name and address of its resident agent filed with the State Department of Assessments and Taxation is: Name: _____

Address: _____

(If not applicable, so state).

- (2) 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.

M. 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.

N. Repealed.

O. 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: _____

(Authorized Representative and Affiant)

Attachment C – Contract Affidavit

A. AUTHORIZED REPRESENTATIVE

I HEREBY AFFIRM THAT:

I am the _____(title) and the duly authorized representative of _____(business) and that I possess the legal authority to make this Affidavit on behalf of myself and the business for which I am acting.

B. CERTIFICATION OF CORPORATION REGISTRATION AND TAX PAYMENT

I FURTHER AFFIRM THAT:

(1) The business named above is a (domestic____) (foreign____) corporation registered in accordance with the Corporations and Associations Article, Annotated Code of Maryland, and that it is in good standing and has filed all of its annual reports, together with filing fees, with the Maryland State Department of Assessments and Taxation, and that the name and address of its resident agent filed with the State Department of Assessments and Taxation is:

Name:_____ Address:_____.

(2) 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.

C. 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:_____ (Authorized Representative and Affiant)

Attachment D – Minority Business Enterprise Participation

PURPOSE

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 Invitation for Bids or Request for Proposals. MBE performance must be in accordance with this Exhibit, as authorized by Code of Maryland Regulations (COMAR) 21.11.03. 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

MBE GOAL AND SUB GOALS

- ❑ An MBE subcontract participation goal of **0.5%** percent of the total premium dollars collected for each functional area has been established for this procurement. By submitting a response to this solicitation, the bidder or Offeror agrees that this dollar amount of the Contract will be performed by certified minority business enterprises

By submitting a response to this solicitation, the bidder or Offeror agrees that these dollar amounts of the Contract will be performed by certified minority business enterprises as specified.

- ◆ 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))
- ◆ A prime Contractor comprising a joint venture that includes MBE partner(s) shall accomplish the MBE subcontract goal with certified MBE subcontractors.

SOLICITATION AND CONTRACT FORMATION

- ◆ A Bidder or Offeror shall include with its bid or offer:
 - (1) A completed Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D-1) whereby the bidder or Offeror acknowledges the certified MBE participation goal or requests a waiver, commits to make a good faith effort to achieve the goal, and affirms that MBE subcontractors were treated fairly in the solicitation process.
 - (2) A completed MBE Participation Schedule (Attachment D-2) whereby 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 Minority Business Enterprises 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.

- a. **COMAR 21.11.03.09C(5) The failure of an Offeror to complete and submit the MBE utilization affidavit and the MBE participation schedule shall result in a determination that the bid is not responsive.**
 - b. **COMAR 21.11.03.09C(6) The failure of an Offeror to complete and submit the MBE utilization affidavit and the MBE participation schedule shall result in a determination that the proposal is not 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-3)
 - (2) Subcontractor Project Participation Statement (Attachment D-4)
 - (3) If the apparent awardee has requested a waiver (in whole or in part) of the overall MBE goal or of any sub-goal as part of the previously submitted Attachment D-1, it shall submit documentation supporting the 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.

SPECIAL INSTRUCTIONS FOR COMPLETING ATTACHMENT D-2-SUPPLEMENT

When calculating the percentage of MBE participation for D-2, Offerors must use the following formula to calculate participation if the MBE subcontractor participation will be other than direct and exclusive to the State Contract.

For Functional Area No. 1 (DHMO):

Projected State Enrollment for DHMO ÷ (Total Non-State Enrollment Served at Offeror's Service Center + Projected State Enrollment for DHMO) = State's Share of Offeror's Book of Business.

Offerors are to use 41,448 as the Projected State Enrollment for DHMO.

For purposes of calculating the Offeror's non-State enrollment, the Offeror must use a population report from no earlier than January, 2008.

EXAMPLE: If Total Non-State Enrollment is 100,000 then the calculation is:

$$41,448 \div (100,000 + 41,448) = 29\%$$

This calculation and resulting pro-rata factor are to be included in the Offeror's Technical Proposal as an attachment to the completed D-2.

For Functional Area No. 2 (DPPO):

Projected State Enrollment for DPPO ÷ (Total Non-State Enrollment Served at Offeror's Service Center + Projected State Enrollment for DPPO) = State's Share of Offeror's Book of Business.

Offerors are to use 46,886 as the Projected State Enrollment for DPPO.

For purposes of calculating the Offeror's non-State enrollment, the Offeror must use a population report from no earlier than January, 2008.

EXAMPLE: If Total Non-State Enrollment is 100,000 then the calculation is:

$$46,886 \div (100,000 + 46,886) = 32\%$$

This calculation and resulting pro-ration factor are to be included in the Offeror's Technical Proposal as an attachment to the completed D-2.

MBE REPORTING INSTRUCTIONS

Prime Contractor shall:

1. Submit by the 15th of each month to the Department a separate report (Attachment D-5) for each Subcontractor. The report shall list:
 - a) all payments made to the MBE subcontractor during the previous 30 days
 - b) 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 written agreements with the MBE subcontractors as listed on the MBE Participation Schedule a requirement that those subcontractors submit monthly to the Department a report (Attachment D-6) that identifies the prime Contract. The D-6 report shall list:
 - a) all payments received from the Prime Contractor during the previous 30 days; *and*
 - b) any outstanding invoices to include number and date, and the invoice amount.
3. In completing the Attachments D-5 and D-6 each month, the Contractor and Subcontractors shall report both the full amount of MBE participation and the attributable amounts of MBE participation for each MBE to the State Contract. If any Offeror is awarded a contract in more than one functional area, the requirements in connection with the MBE subcontracting goal and Attachment D submissions are determined on a per-contract basis. If an MBE performs services on more than one Functional Area (Dental PPO and Dental HMO), the Contractor must separately report the portion of the work for each contract and may not duplicate reporting of payments to the MBE.
4. Maintain such records as are necessary to confirm compliance with its MBE participation obligations. These records shall 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 shall be retained by the Contractor and furnished to the Procurement Officer on request.**
5. 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 shall retain all records concerning MBE participation and make them available for State inspection for three years after final completion of the Contract.**

6. At the option of the Procurement Agency, 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

- D-1 Certified MBE Utilization and Fair Solicitation Affidavit (shall be submitted with bid or offer)
- D-2 MBE Participation Schedule & Attachment D-2 Supplement (shall be submitted with bid or offer)
- D-3 Outreach Efforts Compliance Statement (shall be submitted within 10 working days of notification of apparent award or actual award, whichever is earlier)
- D-4 Subcontractor Project Participation Statement (shall be submitted within 10 working days of notification of apparent award or actual award, whichever is earlier)
- D-5 Prime Contractor Paid/Unpaid MBE Invoice Report (shall be submitted monthly by the Prime Contractor)
- D-6 Subcontractor Paid/Unpaid MBE Invoice Report (shall be submitted monthly by the MBE subcontractor)

Attachment D-1

Certified MBE Utilization and Fair Solicitation Affidavit

This document shall be included with the submittal of the bid or offer. If the bidder or Offeror fails to submit this form with the bid or offer, the Procurement Officer shall deem the bid non-responsive or shall determine that the offer is not susceptible of being selected for award. (COMAR 21.11.03.09C(5) and 21.11.03.09C(6))

In conjunction with the bid or offer submitted in response to Solicitation No. F10B8200014, I affirm the following:

1. I acknowledge the overall certified Minority Business Enterprise (MBE) participation goal of _____% percent. I have made a good faith effort to achieve this goal.

OR

After having made a good faith effort to achieve the MBE participation goal, I conclude I am unable to achieve it. Instead, I intend to achieve an MBE goal of _____% and request a waiver of the remainder of the goal. If I submit the apparent low bid or am selected as the apparent awardee (competitive sealed proposals), I will submit written waiver documentation that complies with COMAR 21.11.03.11 within 10 business days of receiving notification that our firm is the apparent low bidder or the apparent awardee.

2. I have identified the specific commitment of certified Minority Business Enterprises by completing and submitting an MBE Participation Schedule (Attachment D-2) with the bid or proposal.
3. I acknowledge that the MBE subcontractors/suppliers listed in the MBE Participation Schedule will be used to accomplish the percentage of MBE participation that I intend to achieve.
4. I understand that if I am notified that I am the apparent awardee, I shall submit the following 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-3)
 - (b) Subcontractor Project Participation Statement (Attachment D-4)
 - (c) MBE Waiver Documentation per COMAR 21.11.03.11 (if applicable)
 - (d) Any other documentation required by the Procurement Officer to ascertain bidder or Offeror responsibility in connection with the certified MBE participation goal.

If I am the apparent awardee, I acknowledge 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.

5. 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.

Attachment D-1 (Continued)

Certified MBE Utilization and Fair Solicitation Affidavit

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

Bidder/Offeror Name

Signature of Affiant

Address

Printed Name, Title

Date

Dental Benefit Programs

Attachment D-2

MBE Participation Schedule

(for submission with bid or proposal)

This document shall be included with the submittal of the bid or offer. If the bidder or Offeror fails to submit this form with the bid or offer, the procurement officer shall deem the bid non-responsive or shall determine that the offer is not susceptible of being selected for award.

Prime Contractor (Firm Name, Address, Phone)		Project Description	
Project Number			
List Information For Each Certified MBE Subcontractor On This Project			
Minority Firm Name		MBE Certification Number	
Work To Be Performed/NAICS			
Percentage of Total Contract		How MBE Participation will be Attributable to State's Plan. Indicate One: <input type="checkbox"/> Full <input type="checkbox"/> Pro-rated <input type="checkbox"/> Allocable	
Minority Firm Name		MBE Certification Number	
Work To Be Performed/NAICS			
Percentage of Total Contract		How MBE Participation will be Attributable to State's Plan. Indicate One: <input type="checkbox"/> Full <input type="checkbox"/> Pro-rated <input type="checkbox"/> Allocable	
Minority Firm Name		MBE Certification Number	
Work To Be Performed/NAICS			
Percentage of Total Contract		How MBE Participation will be Attributable to State's Plan. Indicate One: <input type="checkbox"/> Full <input type="checkbox"/> Pro-rated <input type="checkbox"/> Allocable	

USE ATTACHMENT D-2 CONTINUATION PAGE AS NEEDED

SUMMARY

(Sum of "Percentage of Total Contract" for Identified MBEs)

TOTAL MBE PARTICIPATION: _____%

Document Prepared By: (please print or type)

Name: _____ Title: _____

Signature: _____ Date: _____

Attachment D-2

MBE Participation Schedule (continued)

List Information For Each Certified MBE Subcontractor On This Project	
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	How MBE Participation will be Attributable to State's Plan. Indicate One: <input type="checkbox"/> Full <input type="checkbox"/> Pro-rated <input type="checkbox"/> Allocable
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	How MBE Participation will be Attributable to State's Plan. Indicate One: <input type="checkbox"/> Full <input type="checkbox"/> Pro-rated <input type="checkbox"/> Allocable
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	How MBE Participation will be Attributable to State's Plan. Indicate One: <input type="checkbox"/> Full <input type="checkbox"/> Pro-rated <input type="checkbox"/> Allocable
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	How MBE Participation will be Attributable to State's Plan. Indicate One: <input type="checkbox"/> Full <input type="checkbox"/> Pro-rated <input type="checkbox"/> Allocable
Minority Firm Name	MBE Certification Number
Work To Be Performed/NAICS	
Percentage of Total Contract	How MBE Participation will be Attributable to State's Plan. Indicate One: <input type="checkbox"/> Full <input type="checkbox"/> Pro-rated <input type="checkbox"/> Allocable

MBE Pro-Ration Calculation Worksheet

This Calculation Worksheet and resulting pro-ration factor are to be included with the Offeror's Technical Proposal as a supplement to the completed D-2. . If a designated minority business firm will be reporting as providing goods or services greater than the calculated pro-ration factor, the prime contractor must submit an explanation for those allocations that are larger than the pro-ration factor.

For Functional Area No. 1 (DHMO):

For purposes of calculating the Offeror's non-State enrollment, the Offeror must use a population report from no earlier than January, 2008.

Offerors are to use 41,448 as the Projected State Enrollment for DHMO.

DHMO Calculation: Projected State Enrollment for DHMO ÷ (Total Non-State Enrollment Served at Offeror's Service Center + Projected State Enrollment for DHMO) = State's Share of Offeror's Book of Business (Pro-Ration).

Example: If the Total Non-State Enrollment is 100,000 then the calculation is:

$$41,448 \div (100,000 + 41,448) = 29\%$$

Offeror Calculation of Projected State Enrollment (DHMO):

$$41,448 \div (\text{_____} + 41,448) = \text{_____} \% \text{ DHMO Pro-Ration}$$

For Functional Area No. 2 (DPPO):

For purposes of calculating the Offeror's non-State enrollment, the Offeror must use a population report from no earlier than January, 2008.

Offerors are to use 46,886 as the Projected State Enrollment for DPPO.

DPPO Calculation: Projected State Enrollment for DPPO ÷ (Total Non-State Enrollment Served at Offeror's Service Center + Projected State Enrollment for DPPO) = State's Share of Offeror's Book of Business (Pro-Ration).

Example: If the Total Non-State Enrollment is 100,000 then the calculation is:

$$46,886 \div (100,000 + 46,886) = 32\%$$

Offeror Calculation of Projected State Enrollment (DPPO):

$$46,886 \div (\text{_____} + 46,886) = \text{_____} \% \text{ DPPO Pro-Ration}$$

Name: _____ Title: _____

Signature: _____ Date: _____

Attachment D-3

Outreach Efforts Compliance Statement

In conjunction with the bid or offer submitted in response to Solicitation No. F10B8200014, I state the following:

1. Bidder/Offeror took the following efforts to identify subcontracting opportunities in these specific work categories:

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

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

4. Bidder/Offeror assisted MBEs to fulfill or to seek waiver of bonding requirements. (DESCRIBE EFFORTS)

- This project does not involve bonding requirements.

5. Bidder/Offeror did/did not attend the pre-bid/proposal conference
 No pre-bid/proposal conference was held.

Bidder/Offeror Name

By: _____
Name

Address

Title

Date

Attachment D-4

Subcontractor Project Participation Statement

**Submit one form for each MBE
Listed on the MBE Participation Schedule**

Provided that _____ is awarded the State Contract in conjunction with
(Prime Contractor Name)
Solicitation No. F10B8200014, it and _____,
(Subcontractor Name)

MDOT Certification No. _____, intend to enter into a Contract by which Subcontractor shall:

(Describe work) _____

- No bonds are required of Subcontractor
- The following amount and type of bonds are required of Subcontractor:

By: _____
Prime Contractor Signature

Name

Title

Date

By: _____
Subcontractor Signature

Name

Title

Date

Attachment D-5

(Printed)

**Maryland Department of Budget and Management
Minority Business Enterprise Participation
Prime Contractor Paid/Unpaid MBE Invoice Report**

Report #: _____ Reporting Period (Month/Year): _____ Report is due by the 15th of the month following the month the services were provided.	Contract #: Contracting Unit: Contract Amount: MBE Subcontract Amt: Project Begin Date: Project End Date: Services Provided:
---	--

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: <table style="width:100%"> <thead> <tr> <th style="width:5%">1.</th> <th style="width:15%"><u>Invoice#</u></th> <th style="width:15%"><u>Amount</u></th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr> <td colspan="3">Total Dollars Paid: \$ _____</td> </tr> </tbody> </table>		1.	<u>Invoice#</u>	<u>Amount</u>										Total Dollars Paid: \$ _____			List dates and amounts of any outstanding invoices: <table style="width:100%"> <thead> <tr> <th style="width:5%">1.</th> <th style="width:15%"><u>Invoice #</u></th> <th style="width:15%"><u>Amount</u></th> </tr> </thead> <tbody> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr><td> </td><td> </td><td> </td></tr> <tr> <td colspan="3">Total Dollars Unpaid: \$ _____</td> </tr> </tbody> </table>		1.	<u>Invoice #</u>	<u>Amount</u>										Total Dollars Unpaid: \$ _____		
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Total Dollars Paid: \$ _____																																	
1.	<u>Invoice #</u>	<u>Amount</u>																															
Total Dollars Unpaid: \$ _____																																	

**If more than one MBE Subcontractor is used for this Contract, you shall use separate D-5 forms.

****Return one copy (hard or electronic) of this form to the following addresses (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: tmclamore@dbm.state.md.us Signature: _____ Date: _____	Anne Timmons Director, Employee Benefits Division 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 Signature: _____ Date: _____
--	--

Attachment D-6

**Minority Business Enterprise Participation
Subcontractor Paid/Unpaid MBE Invoice Report**

Report#: _____ Reporting Period (Month/Year): _____ Report is due by the 15th 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: Maryland	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:5%;"></th> <th style="width:40%; text-align: center;"><u>Invoice Amt</u></th> <th style="width:15%; text-align: center;"><u>Date</u></th> </tr> </thead> <tbody> <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> </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:5%;"></th> <th style="width:40%; text-align: center;"><u>Invoice Amt</u></th> <th style="width:15%; text-align: center;"><u>Date</u></th> </tr> </thead> <tbody> <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> </tbody> </table>		<u>Invoice Amt</u>	<u>Date</u>	1.			2.			3.			Total Dollars Unpaid: \$ _____		
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2.																															
3.																															
Total Dollars Unpaid: \$ _____																															
Prime Contractor: _____ Contact Person _____																															

****Return one copy (hard or electronic) of this form to the following addresses (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: tmclamore@dbm.state.md.us Signature: _____ Date: _____	Anne Timmons Director, Employee Benefits Division 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 Signature: _____ Date: _____
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Attachment E – NAIC 120-1 Model Cob Contract Provisions

NAIC 120-1 MODEL COB CONTRACT PROVISIONS

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MODEL COB CONTRACT PROVISIONS

COORDINATION OF THIS GROUP CONTRACT'S BENEFITS WITH OTHER BENEFITS

This coordination of benefits (COB) provision applies when a person has health care coverage under more than one plan. "Plan" is defined below.

The order of benefit determination rules below determine which plan will pay as the primary plan. The primary plan that pays first pays without regard to the possibility that another plan may cover some expenses. A secondary plan pays after the primary plan and may reduce the benefits it pays so that payments from all group plans do not exceed 100% of the total allowable expense.

DEFINITIONS

A. A "plan" is any of the following that provides benefits or services for medical or dental care or treatment. However, if separate contracts are used to provide coordinated coverage for members of a group, the separate contracts are considered parts of the same plan and there is no COB among those separate contracts.

(1) "Plan" includes: group insurance, closed panel or other forms of group or group-type coverage (whether insured or uninsured); hospital indemnity benefits in excess of \$200 per day; medical care components of group long-term care contracts, such as skilled nursing care; medical benefits under group or individual automobile contracts; and Medicare or other governmental benefits, as permitted by law.

(2) "Plan" does not include: individual or family insurance; closed panel or other individual coverage (except for group-type coverage); amounts of hospital indemnity insurance of \$200 or less per day; school accident type coverage, benefits for non-medical components of group long-term care policies; Medicare supplement policies, Medicaid policies and coverage under other governmental plans, unless permitted by law.

Each contract for coverage under (1) or (2) is a separate plan. If a plan has two parts and COB rules apply only to one of the two, each of the parts is treated as a separate plan.

B. The order of benefit determination rules determine whether this plan is a "primary plan" or "secondary plan" when compared to another plan covering the person.

When this plan is primary, its benefits are determined before those of any other plan and without considering any other plan's benefits. When this plan is secondary, its benefits are determined after those of another plan and may be reduced because of the primary plan's benefits.

C. "Allowable expense" means a health care service or expense, including deductibles and copayments, that is covered at least in part by any of the plans covering the person. When a plan provides benefits in the form of services, (for example a PPO) the reasonable cash value of each service will be considered an allowable expense and a benefit paid. An expense or service that is not covered by any of the plans is not an allowable expense. The following are examples of expenses or services that are not allowable expenses:

(1) If a covered person is confined in a private hospital room, the difference between the cost of a semi-private room in the hospital and the private room, (unless the patient's stay in a private hospital room is medically necessary in terms of generally accepted medical practice, or one of the plans routinely provides coverage for hospital private rooms) is not an allowable expense.

(2) If a person is covered by 2 or more plans that compute their benefit payments on the basis of usual

and customary fees, any amount in excess of the highest of the usual and customary fees for a specific benefit is not an allowable expense.

(3) If a person is covered by 2 or more plans that provide benefits or services on the basis of negotiated fees, an amount in excess of the highest of the negotiated fees is not an allowable expense.

(4) If a person is covered by one plan that calculates its benefits or services on the basis of usual and customary fees and another plan that provides its benefits or services on the basis of negotiated fees, the primary plan's payment arrangements shall be the allowable expense for all plans.

(5) The amount a benefit is reduced by the primary plan because a covered person does not comply with the plan provisions. Examples of these provisions are second surgical opinions, precertification of admissions, and preferred provider arrangements.

D. "Claim determination period" means a calendar year. However, it does not include any part of a year during which a person has no coverage under this plan, or before the date this COB provision or a similar provision takes effect.

E. "Closed panel plan" is a plan that provides health benefits to covered persons primarily in the form of services through a panel of providers that have contracted with or are employed by the plan, and that limits or excludes benefits for services provided by other providers, except in cases of emergency or referral by a panel member.

F. "Custodial parent" means a parent awarded custody by a court decree. In the absence of a court decree, it is the parent with whom the child resides more than one half of the calendar year without regard to any temporary visitation.

ORDER OF BENEFIT DETERMINATION RULES

When two or more plans pay benefits, the rules for determining the order of payment are as follows:

A. The primary plan pays or provides its benefits as if the secondary plan or plans did not exist.

B. A plan that does not contain a coordination of benefits provision that is consistent with this regulation is always primary. There is one exception: coverage that is obtained by virtue of membership in a group that is designed to supplement a part of a basic package of benefits may provide that the supplementary coverage shall be excess to any other parts of the plan provided by the contract holder. Examples of these types of situations are major medical coverages that are superimposed over base plan hospital and surgical benefits, and insurance type coverages that are written in connection with a closed panel plan to provide out-of-network benefits.

C. A plan may consider the benefits paid or provided by another plan in determining its benefits only when it is secondary to that other plan.

D. The first of the following rules that describes which plan pays its benefits before another plan is the rule to use.

(1) Non-Dependent or Dependent. The plan that covers the person other than as a dependent, for example as an employee, member, subscriber or retiree is primary and the plan that covers the person as a dependent is secondary. However, if the person is a Medicare beneficiary and, as a result of federal law, Medicare is secondary to the plan covering the person as a dependent; and primary to the plan covering the person as other than a dependent (e.g. a retired employee); then the order of benefits between the two plans is reversed so that the plan covering the person as an employee, member, subscriber or retiree is secondary and the other plan is primary.

(2) Child Covered Under More Than One Plan. The order of benefits when a child is covered by more than one plan is:

- (a) The primary plan is the plan of the parent whose birthday is earlier in the year if:
 - . The parents are married;
 - . The parents are not separated (whether or not they ever have been married); or

. A court decree awards joint custody without specifying that one party has the responsibility to provide health care coverage.

If both parents have the same birthday, the plan that covered either of the parents longer is primary.

(b) If the specific terms of a court decree state that one of the parents is responsible for the child's health care expenses or health care coverage and the plan of that parent has actual knowledge of those terms, that plan is primary. This rule applies to claim determination periods or plan years commencing after the plan is given notice of the court decree.

(c) If the parents are not married, or are separated (whether or not they ever have been married) or are divorced, the order of benefits is:

- . The plan of the custodial parent;
- . The plan of the spouse of the custodial parent;
- . The plan of the noncustodial parent; and then
- . The plan of the spouse of the noncustodial parent.

(3) Active or inactive employee. The plan that covers a person as an employee who is neither laid off nor retired, is primary. The same would hold true if a person is a dependent of a person covered as a retiree and an employee. If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule is ignored. Coverage provided an individual as a retired worker and as a dependent of an actively working spouse will be determined under the rule labeled B(1).

(4) Continuation coverage. If a person whose coverage is provided under a right of continuation provided by federal or state law also is covered under another plan, the plan covering the person as an employee, member, subscriber or retiree (or as that person's dependent) is primary, and the continuation coverage is secondary. If the other plan does not have this rule, and if, as a result, the plans do not agree on the order of benefits, this rule is ignored.

(5) Longer or shorter length of coverage. The plan that covered the person as an employee, member, subscriber or retiree longer is primary.

(6) If the preceding rules do not determine the primary plan, the allowable expenses shall be shared equally between the plans meeting the definition of plan under this regulation. In addition, this plan will not pay more than it would have paid had it been primary.

EFFECT ON THE BENEFITS OF THIS PLAN

A. When this plan is secondary, it may reduce its benefits so that the total benefits paid or provided by all plans during a claim determination period are not more than 100 percent of total allowable expenses. The difference between the benefit payments that this plan would have paid had it been the primary plan, and the benefit payments that it actually paid or provided shall be recorded as a benefit reserve for the covered person and used by this plan to pay any allowable expenses, not otherwise paid during the claim determination period. As each claim is submitted, this plan will:

- (1) Determine its obligation to pay or provide benefits under its contract;
- (2) Determine whether a benefit reserve has been recorded for the covered person; and
- (3) Determine whether there are any unpaid allowable expenses during that claims determination period.

If there is a benefit reserve, the secondary plan will use the covered person's benefit reserve to pay up to 100% of total allowable expenses incurred during the claim determination period. At the end of the claims determination period, the benefit reserve returns to zero. A new benefit reserve must be created for each new claim determination period.

B. If a covered person is enrolled in two or more closed panel plans and if, for any reason, including the provision of service by a non-panel provider, benefits are not payable by one closed panel plan, COB shall not apply between that plan and other closed panel plans.

RIGHT TO RECEIVE AND RELEASE NEEDED INFORMATION

Certain facts about health care coverage and services are needed to apply these COB rules and to determine benefits payable under this plan and other plans. [Organization responsibility for COB

administration] may get the facts it needs from or give them to other organizations or persons for the purpose of applying these rules and determining benefits payable under this plan and other plans covering the person claiming benefits. [Organization responsibility for COB administration] need not tell, or get the consent of, any person to do this. Each person claiming benefits under this plan must give [Organization responsibility for COB administration] any facts it needs to apply those rules and determine benefits payable.

FACILITY OF PAYMENT

A payment made under another plan may include an amount that should have been paid under this plan. If it does, [Organization responsibility for COB administration] may pay that amount to the organization that made that payment. That amount will then be treated as though it were a benefit paid under this plan. [Organization responsibility for COB administration] will not have to pay that amount again. The term "payment made" includes providing benefits in the form of services, in which case "payment made" means reasonable cash value of the benefits provided in the form of services.

RIGHT OF RECOVERY

If the amount of the payments made by [Organization responsibility for COB administration] is more than it should have paid under this COB provision, it may recover the excess from one or more of the persons it has paid or for whom it has paid; or any other person or organization that may be responsible for the benefits or services provided for the covered person. The "amount of the payments made" includes the reasonable cash value of any benefits provided in the form of services.

Attachment F - Electronic Funds Transfer (EFT) Registration Request Form

**State of Maryland
Comptroller of Maryland**

Vendor Electronic Funds Transfer (EFT) Registration Request Form

Date of request _____

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

Business/Individual 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+ _____ CTX* _____ EDI* (Check one.)

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

A VOIDED CHECK from the bank account must be attached or letter from the bank confirming the account number.

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 individual, 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

(or) Fax: 410-974-2309

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 – Proposal Submission Checklist

RFP	Requirement	Y/N	Remarks
4.2	For each Functional Area proposed, was Volume I sealed separately from Volume II but submitted simultaneously?		
4.2	Were an unbound original and six (6) copies of the Volume I - Technical Proposal and Volume II – Financial Proposal submitted for each proposed functional area? Were proposal pages numbered consecutively?		
4.2	Were two (2) electronic versions of Volume I, submitted in MS Word or Excel format, enclosed with the original copy of the Technical Proposal for each proposed functional area?		
4.2	Were two (2) electronic versions of Volume II, submitted in MS Word or Excel format, enclosed with the original copy of the Financial Proposal for each proposed functional area?		
4.2	Were the electronic media labeled with the RFP title/number, appropriate Functional Area, name and address of the Offeror, and appropriate Volume Number (I or II)?		
4.2	Did each sealed package include the RFP title & number, name/address of Offeror, Volume number, appropriate Functional Area, and closing date/time on the outside of the package?		
4.3.1	Was a Transmittal Letter included, accompanying the Technical Proposal, acknowledging the receipt of the addenda? Was the letter signed by an individual authorized to commit the Offeror to the services and requirements of the RFP?		
4.3.2	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 any confidential information within the Proposal identified as such, after the title page of the Technical Proposal, before the Table of Contents?		
4.3.3	Was an executive summary included, which condenses and highlights the contents of the Technical Proposal? Does the executive summary identify any exceptions the Offeror has taken to the requirements of the RFP, the Contract (Attachment A), or any other attachments? If there are no exceptions, does the executive summary so state? (Warning - Exceptions may result in proposal being rejected)		
4.3.4	Did the Offeror address each applicable criterion in the Technical Response to the RFP Requirements (Section 3.4) and complete the Excel files for each proposed functional area (Attachment L for DHMO, Attachment O for DPPO)? Were required signatures included for each applicable Excel file Attachment?		
4.3.5	Did the Offeror identify subcontractors, including MBEs, and the roles these subcontractors will have in the performance of the contract? Were responses to Attachments L-8 and O-8 included with the Technical Proposal?		

4.3.6	Did the Offeror address economic benefit factors?		
4.3.7.A	Did the Offeror describe any litigation and/or government actions taken, proposed, or pending against the Offeror or any entities of the Offeror during the past five (5) years? Was notice provided with an explanation of any suspension or revocation, within the past five (5) years, of the Offeror's license to write or issue insurance?		
4.3.7.B	Did the Offeror submit evidence that the Offeror has the financial capacity to provide the services encompassed within this RFP (financial statements, P&L statements, balance sheets from the past two years)?		
4.3.8	For each proposed Functional Area, were required additional technical submissions included (only with the original copy of the Technical Proposal)? -Geo-Access Report -Management Reporting Package -Claims Appeals Protocols -Certificates of Insurance -Provider Satisfaction Survey -Dental Director Resume -Implementation Team Organizational Chart -Implementation Plan -Account Management Team Organizational Chart -Account Management Support including Resumes -Completed Bid/Proposal Affidavit -Certified MBE Utilization and Fair Solicitation Affidavit -MBE Participation Schedule -Completed Living Wage Affidavit of Agreement		
4.4	For each proposed Functional Area, did the Financial Proposal contain all cost information in the format specified in Attachments M (DHMO) and P(DPPO) and the related Exhibits, as appropriate?		

Attachment H – Pre-Proposal Conference Response Form

Project No. F10B8200014
Dental Benefits Program

A Pre-Proposal Conference will be held at 1:00 PM, on May 5, 2008, at 45 Calvert Street, Room 164 A/B, Annapolis, MD 21401. Please return this form by 4:00 PM April 30, 2008 advising whether or not you plan to attend.

Return or fax this form to the Procurement Officer:

Gabriel Gnall
Department of Budget and Management
Procurement Unit
45 Calvert Street, Room 140
Annapolis, MD 21401
ggnall@dbm.state.md.us
Fax # (410) 974-3274

Please indicate:

Yes, the following representatives will be in attendance:

1.

2.

No, we will not be in attendance.

Company Name: _____

Representative Name: _____

Signature: _____ Title: _____

Attachment I – Non-Disclosure Agreement (Offeror)

This Non- Disclosure Agreement (the “Agreement”) is made this ___ day of _____ 2008, 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 # F10B8200014, the Request for Proposals for DENTAL PLAN ADMINISTRATION AND SERVICES (DPPO, DHMO). 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 and identifying information on State employees and State retirees and information concerning plan utilization. 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 1.30, except in connection with the preparation of its 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 and the OFFEROR shall be liable for any violations by any employees or agents who are provided or given access to Confidential Information.
3. OFFEROR shall return to the State and destroy any copies of the Confidential Information remaining in its possession within five business days of the State’s notice of a recommended award in connection with this procurement. If the OFFEROR does not submit a Proposal, the OFFEROR shall return the Confidential Information to the Procurement Officer identified in the RFP, Section 1.7, 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: _____ [signature]
 NAME: _____ [print name]
 TITLE: _____
 ADDRESS: _____

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

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

Attachment J – 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.
- 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) Service contracts 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 a procurement ("Unit"); or
 - (D) services between a Unit and a County or Baltimore City.
- C. If the Unit responsible for the State contract for services 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 State contract for services, 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.
- J. Information pertaining to reporting obligations may be found by going to the DLLR Website <http://www.dllr.state.md.us/> and clicking on Living Wage.

Attachment K – Living Wage Affidavit of Agreement
Maryland Living Wage Requirements-Service Contracts

Contract No. RFP # F10B8200014

Name of Contractor _____

Address _____

City _____ State _____ Zip Code _____

If the Contract is Exempt from the Living Wage Law

The Undersigned, being an authorized representative of the above named Contractor, hereby affirms that the Contract is exempt from 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 Title 18, 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 wage rate in effect at the time service is provided for hours spent 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.

Attachment K (continued)

**Affidavit of Agreement
Maryland Living Wage Requirements-Service Contracts**

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

- The employee(s) proposed to work on the contract will spend less than one-half of the employee's time during any work week on the contract
- The employee(s) proposed to work on the contract is 17 years of age or younger during the duration of the contract; or
- The 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 Ree **contractor**.

Document Prepared By: (please print or type)

Name: _____ Title: _____

Submit This Affidavit with Bid/Proposal

Attachment L – DHMO Technical Proposal

See the Excel file, Attachment L_DHMO Technical Response Part I.xls.

Note: Attachment L_DHMO Technical Response Part II.xls. including the following sections will be provided upon receipt of signed Non-Disclosure Agreement:

L-11: Disruption based on Enrollment by Providers (Dental Benefit Providers DHMO)

L-12: Disruption based on Enrollment by Provider (United Concordia DHMO)

Attachment M – DHMO Financial Proposal

See the Excel file, Attachment M_DHMO Financial Response.xls.

Attachment N – Dental Supplemental Data

See the Excel file, Attachment N_Dental Supplemental Data.xls.

Attachment N will be provided upon receipt of signed Non-Disclosure Agreement:

Attachment O – DPPO Technical Proposal

See the Excel file, Attachment O_DPPO Technical Response.xls.

Note: Attachment O_DPPO Technical Response Part II.xls. including the following section will be provided upon receipt of signed Non-Disclosure Agreement:

O-11: Disruption based on Paid Claims (United Concordia DPPO)

Attachment P – DPPO Financial Proposal

See Excel file, Attachment P_DPPO Financial Response.xls.