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Health and Human Services Agency  
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February 23, 2018

**REQUEST FOR PROPOSALS (RFP) - SECONDARY  
PROVIDER NETWORK AND TIMELY ACCESS COMPLIANCE  
STATISTICAL ANALYSIS AND METHODOLOGY DEVELOPMENT  
RFP No. 17MC-SA008**

You are invited to review and respond to this Request for Proposals (RFP) entitled "Provider Network and Timely Access Compliance – Statistical Analysis and Methodology Development." Potential Proposers are encouraged to download the solicitation package as well as any future addendums from Cal eProcure at: <https://caleprocure.ca.gov>. In submitting a proposal, Proposers must comply with the instructions found herein. **The deadline for submitting proposals is 4:00 p.m. Pacific Standard Time (PST) Friday, March 23, 2018.**

The Department of Managed Health Care (DMHC or Department) is soliciting proposals from qualified entities, to provide statistical analysis services in analyzing provider network data and developing formulas for identifying health plans whose network is performing outside of the norm on multiple network standards, in regards to geographic access, provider capacity and timely access to care. The successful proposer will be awarded a contract term up to three (3) years, and it is anticipated that the contract will begin on June 1, 2018 and end on May 31, 2021. The DMHC reserves the right to extend the contract for an additional (1) one-year term at the same rates and maximum dollar amount per year as the original Agreement. Contract extensions are subject to satisfactory performance, funding availability and approval by the Department of General Services (DGS).

The Small Business Preference and other preference programs apply to this solicitation. The Disabled Veteran Business Enterprise (DVBE) participation requirement has been waived; however, the DVBE Incentive Program will apply for this solicitation.

Note that all Agreements entered into with the State of California will include by reference General Terms and Conditions and Contractor Certification Clauses that may be viewed and downloaded at Internet site: [www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx](http://www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx). If you do not have Internet access, a hard copy can be provided by contacting the person listed below.

If you have questions, or need clarifying information, the contact person for this RFP is:

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DMHC Contract Analyst  
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Please note that **no verbal** information given will be binding upon the State unless such information is issued in writing as an official addendum.

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## A. PURPOSE AND DESCRIPTION OF SERVICES

The DMHC is seeking proposals from qualified entities to provide statistical analysis services in analyzing provider network data and developing formulas for identifying health plans whose network is performing outside of the norm on multiple network standards in regards to geographic access, provider capacity and timely access.

The Contractor will use statistical analysis to develop tools, measures and/or methods to assist the DMHC in making network adequacy determinations. The Contractor will develop statistical tools, based on accepted statistical methods, for identifying provider network data that are outside of customary ranges within the industry. The Contractor will assist the DMHC in determining data accuracy and identifying a confidence level upon which the DMHC can reasonably rely on the data. The DMHC will provide the Contractor with all relevant network data and geographic access data.

Additionally, the Contractor will develop statistical tools that will assist the DMHC in analyzing and evaluating plan-reported timely access data in order to identify patterns and trends and to assist the DMHC in making its final findings and recommendations for changes that better protect consumers. The Contractor will identify statistically significant variations between the data submitted by individual health care service plans and the industry overall in order to assist the DMHC in meeting its timely access-related statutory obligations under Senate Bill 964. The DMHC will provide the Contractor with all relevant timely access-related data and analyses. The Contractor will also be called upon to identify other data resources that may be useful in the development of the statistical model.

The DMHC intends to award one (1) Agreement, to one (1) Proposer, but shall not guarantee any specific volume of work once the award is made. The total amount awarded under this RFP is **\$585,000**. For each proposal submitted, the total cost of all deliverables and tasks cannot exceed the specified Agreement amount.

The DMHC reserves the right to extend the Agreement for an additional one (1) year term at the same rates and maximum dollar amount per year as the original Agreement. Agreement extensions are subject to satisfactory performance, funding availability, and approval by DGS.

A detailed description of the services to be provided is included in Section E, Scope of Work.

## B. ADMINISTRATIVE REQUIREMENTS

The successful Proposer who is awarded an Agreement must fulfill the following Administrative Requirements prior to commencing work, and is responsible for any fees or expenses, including time, for completing these items:

### 1. **Background Investigation**

Due to the nature of the services to be performed, the DMHC requires a thorough background investigation of the Contractor, its agents, subcontractors and individual employees who will have access to medical information as part of their duties under this Agreement; and reserves the right to disapprove any individual from performing under the scope of this Agreement. This background investigation includes fingerprinting and a California Department of Justice criminal record check. Each Contractor, agent, subcontractor and individual employee who is to perform services under this Agreement must voluntarily consent to a background investigation. Fingerprint rolling fees and background investigation costs will be borne by the Contractor, payable at time of fingerprinting. Previous clearances and/or investigations conducted by other agencies will not be accepted as an alternative to the DMHC's background investigation. It is the Contractor's responsibility to notify the DMHC when an employee working under this Agreement is terminated, not hired or reassigned to other work.

Per Government Code Section 1041, pre-employment background investigations shall be required of contract employees whose duties include or would include access to medical information. The pre-employment background investigation will consist of fingerprinting and an inquiry to the Department of Justice (DOJ) and the Federal Bureau of Investigations (FBI) to disclose Criminal Offender Record Information (CORI). Investigations are conducted to ascertain whether a contract employee has any state or federal convictions, or is currently released from custody on bail or on their own recognizance pending trial, of a crime of “moral turpitude”.

2. **Information Security, Integrity and Confidentiality Statement**

Complete Attachment I for Contractor Authorized Representative and Attachment II for project employees, agents or sub-contractors, which certify that the Contractor and the Contractor’s staff understand and agree to comply with the DMHC’s Information Security and Confidentiality Statement.

3. **Annual Information Security Awareness and Privacy Training**

California state policy requires that the DMHC must provide for the proper use and protection of its information assets and arrange for basic security and privacy awareness training (SAM Sections 5305.1; 5320.1; 5320.2, SIMM 5330-B) for **new users and annually** thereafter. Therefore, DMHC contractors (including subcontractors) who access state resources must complete the designated DMHC online annual Information Security Awareness and Privacy Training prior to accessing DMHC information assets and/or beginning work on a contract. The DMHC Information Security Officer will set up your training account. While the training course is free-of-charge, any expenses, including Contractor time, related to new and/or annual Information Security Awareness and Privacy Training will be the responsibility of the Contractor. Active contractors/subcontractors must provide a list of their employees’ names and email addresses annually to the DMHC Information Security Officer to administer this online annual Information Security Awareness and Privacy Training.

4. **Statement of Economic Interests (Form 700)**

The California Political Reform Act requires individuals holding positions designated within an agency’s conflict of interest code to file an annual Statement of Economic Interests (Form 700). The DMHC’s conflict of interest code designates “Consultants” among the positions that must file a Form 700. The Proposer’s employees or independent contractors have been designated as such consultants and will be required to file an original Form 700 with the DMHC. (See Government Code Sections 82019 and 87302). Each of the Proposer’s employees and contractors performing work under the Agreement must file a Form 700 within 30 days of beginning work under the contract, annually thereafter, and within 30 days after stopping to perform work under the contract (leaving office statement).

5. **Ethics Certification**

The Government Code requires all officials, employees and contracted consultants designated to file a Form 700, to also complete an Ethics Certification when first assuming a designated position and then every odd numbered year thereafter. In some cases, this means that consultants may be required to complete the Ethics Certification two years in a row if they assumed their designated position during an even numbered year. (See Government Code Sections 11146 through 11146.4).

**C. MINIMUM QUALIFICATIONS**

The Proposer must complete Attachment 3, Minimum Qualifications Certification, certifying that the Proposer satisfies all minimum qualifications and requirements. Failure to certify may result in the immediate rejection of the proposal.

Proposer must meet all the following:

1. The Organization must have at least one staff member with a Master's degree or Ph.D. in statistics or an equivalent field.
2. The Organization must have at least one staff member that has a minimum of one year experience researching, studying, or analyzing managed health care structures and operations, and/or experience providing services to a managed health care organization or managed health care regulatory agency; and
3. The Organization must have at least one staff member who is able to perform advanced functions in Microsoft Excel (i.e. create formulas, pivot tables and relational tables) and develop data visualization models for publication utilizing Tableau software.

#### **D. BACKGROUND**

The DMHC licenses health care service plans to operate in the state of California, pursuant to the Knox-Keene Act (KKA) Health and Safety Code section 1340, et seq. Health plans are structured such that plans enter into contracts with physicians and other medical and mental health practitioners and facilities (providers) whereby the providers agree to treat all individuals enrolled (enrollees) with the Plan in exchange for a pre-defined rate of payment. When a Plan applies to the DMHC for a license, it must establish the geographic area in which it wishes to provide services (service area) and describe the physicians and other medical and mental health practitioners with whom the Plan has a contract to provide services to enrollees (provider network). California law establishes certain requirements for health care service plan networks that can be divided into two major areas: geographic access and provider capacity. Those standards include:

1. Geo-access Standards:
  - a. 15 miles/30 minutes between all enrollees and primary care providers;
  - b. 15 miles/30 minutes between all enrollees and hospitals;
  - c. Reasonable access to specialists;
  - d. Reasonable access to ancillary providers from Primary Care Physician (PCP) locations.
2. Capacity Measures:
  - a. 1:2,000 PCP-to-enrollee ratios;
  - b. 1:1,200 Physician-to-enrollee ratios;
  - c. 1:1,000 Physician-to-physician extender ratios;
  - d. Time-elapsd standards for appointments with providers;
  - e. Variety of specialists available to provide basic health care services.

In addition, California law establishes certain requirements related to the timeliness of services delivered by health care service plan networks. Each health plan measures the availability of contracted providers within its network and submits an annual report with self-reported data regarding compliance with established timely access standards. The measured timely access standards include:

1. Time-Elapsd Timely Access Standards:
  - a. Urgent care appointments that do not require prior authorization – Availability within

- 48 hours following the request for an appointment;
- b. Urgent care appointments that require prior authorization – Availability within 96 hours following the request for an appointment;
  - c. Non-urgent primary care appointments – Availability within 10 business days following the request for an appointment;
  - d. Non-urgent specialty physician appointments – Availability within 15 business days following the request for an appointment;
  - e. Non-urgent non-physician mental health appointments – Availability within 10 business days following the request for an appointment; and
  - f. Non-urgent ancillary provider appointments – Availability within 15 business days following the request for an appointment.

Health plans are required to ensure that their networks are continuously compliant with the standards for geographic access and provider capacity, listed above. The DMHC also independently reviews provider networks for compliance. Within the DMHC, the Office of Plan Monitoring (OPM) is tasked with conducting the review of provider networks. The KKA requires the DMHC to review health plan networks when it receives notice from plans of a new license application, expansion into a new service area, a 10% change in the names of the plan's providers and termination of hospital and physician group contracts. In 2014, the legislature passed Senate Bill 964 which created a new requirement for the DMHC to evaluate all full service and behavioral health plan networks on an annual basis for compliance with the KKA network requirements.

The network review process includes expert comparative analysis in all geographic regions of the state, to ensure plans have sufficient provider contracting to meet timely access standards, capacity requirements and reasonable geographic access to care. While the KKA contains some very clear thresholds for network adequacy (e.g. 15 miles/30 minutes to a PCP or hospital), many other standards ask the DMHC to ascertain whether the access to a particular provider type is "reasonable." The DMHC uses the vast quantity of data received in the annual network review process to determine the reasonableness of each particular plan's network in comparison against the industry as a whole. The DMHC uses statistical analysis of the industry-wide data collected on an annual basis to determine which individual plan networks are outliers and where there is statistically significant variation between an individual plan network and the average network available in the market.

In addition, each health plan is required to ensure that its provider networks remain continuously compliant with the specific time-elapsd standards listed above as well as additional timely access standards set forth in the KKA. The OPM is tasked with reviewing the information set forth in annual timely access compliance reports, making recommendations for changes that further protect enrollees and posting the DMHC's final findings on the Department's public website no later than December 1 of each calendar year.

The timely access review process includes comparative analysis of all compliance information set forth in annual timely access reports submitted by health care service plans. While the KKA contains numerous standards related to the timely delivery of services to health plan enrollees, it does not specify an objective standard, or threshold, that health care service plans must meet or exceed in order to be deemed compliant under the six specific time-elapsd standards. The contractor will apply statistical analysis of the industry-wide data collected on an annual basis to determine which individual plan networks are outliers and where there is statistically significant variation between an individual plan network and the average network available in the market.

## E. SCOPE OF WORK

The Contractor agrees to provide the Department services as described herein.

This Agreement contains components which are deliverable based as well as components based on time and materials.

The deliverable based components are Objective 1: Annual Network Review Tasks 1, 2 and 3 as well as Objective 3: Timely Access Compliance Task 2. Payment for these services will be provided upon delivery and acceptance of the task/deliverable outlined within the Scope of Work.

The time and material components are Objective 2: Network Filings and Block Transfers Task 1 and Objective 3: Timely Access Compliance Task 1 as well as Objective 4: Ongoing Consultation. Payment for these services will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

The Contractor will develop statistical tools, based on generally accepted statistical methods, for the following network evaluations regularly conducted by the Department:

### **Objective 1: Annual Network Review: Tasks and Deliverables**

Annual network review is a retrospective review of comprehensive provider network data submitted annually by all full service and behavioral health plans. Each year health plans submit data to the Department representing each complete contracted network of providers and enrollees. All health plans submit network data on the same date every year, and the data reflects the composition of the reporting network as of December 31 of the previous year (referred to as "Measurement Year"). Health plan data submissions are subject to an up-front data validation process and must follow certain Department requirements regarding terminology and other indicators to allow the Department to ensure data is consistently recorded across all plans and to properly allot to each plan network the specific providers that are available to it, either through the plan's own direct contracts or through plan-to-plan contracts.

The Department reviews this data to determine whether there are sufficient numbers of the right types of providers in the right locations to comply with geographic access, availability, and capacity requirements within the law. This involves determining whether the Plan's network met established time and distance standards, where defined under the Act (e.g. PCP within 15 miles or 30 minutes), and whether the Plan has provided reasonable timely and geographic access to providers overall, as required under the Act. When determining whether a Plan has complied with the "reasonableness" requirements under the Act, the Department compares provider access, availability and capacity data across health plan networks, including other health plan networks operating in similar regions and/or other networks serving populations with similar geographic characteristics. To accomplish this, the Department requires statistical tools that will allow it to identify health plan networks that provide access at a level that appears to be a clear outlier when compared against all other plans.

Currently, the Department utilizes existing statistical tools to identify networks that appear to provide unreasonable access to specialists, specifically with regard to specialist and mental health provider capacity (e.g. enrollee-to-specialist ratios) and geographic access to specialists and mental health providers (e.g. the time and distance an enrollee must travel to obtain specialty care). The Department also utilizes statistical tools to determine what portion of each provider's time is actually available to each provider network ("full-time equivalency") so that the Department can properly evaluate the capacity of the primary care network. Other existing current areas of

review in the annual network review process includes: geographic access to PCPs and hospitals, overall provider network capacity, and availability of a comprehensive array of providers.

In addition to using statistical tools for its substantive review of network adequacy, the Department has also made efforts to improve the quality and reliability of the data collected by health plans and has some existing tools for evaluating the integrity of the data submitted by health plans.

Going forward, the Department is seeking assistance with improving its existing tools and developing new tools for measuring the reasonableness of the non-physician “ancillary” provider network, which is not currently being measured under the existing tools. The Department will also be developing statistical tools for evaluating the use of grievance data in conducting network analysis, reviewing and approving health plan requests for alternative geographic access standards, and associating timely access data with provider network data to draw conclusions about network capacity. With each Measurement Year, the Department collects novel provider network data that may be further incorporated into network reviews and therefore may require the development of further statistical tools. Additionally, the Department will be expanding its review of data integrity and reliability and will require additional statistical tools to accomplish that goal.

**Task 1 Overview: Improve Existing Statistical Tools and/or Propose New Metrics.** On an annual basis, improve existing analytical and statistical tools implemented by the Department to measure provider network data for health plan compliance in the following areas:

- a. overall provider network capacity;
- b. capacity of the primary care network;
- c. capacity of the specialist and mental health network;
- d. “full-time equivalency” availability of providers;
- e. enrollee geographic access to PCPs and hospitals;
- f. enrollee geographic access to specialists and mental health providers;
- g. access to a comprehensive array of providers; and
- h. data integrity.

Existing statistical tools are multifaceted, and rely on the use of numerous data points across large data sets, reported by many health plan networks. Existing tools were created using statistical and analytical methods, geographic mapping software and other programs, as well as large data sets representing the full roster of health plan providers, the plans’ service areas and enrollee locations. During 2017, the Department applied six tools to assist in the analysis of provider network data reported by health plans:

- a. **Full-Time Equivalence:** A tool that determines the “full-time equivalency” (“FTE”) availability of reported providers based on geographic distribution of enrollees and providers, expected regional enrollment, provider participation in multiple networks and plans and other statistical methods to account for provider availability.
- b. **Specialist Geographic Access:** A tool that uses geographic mapping software, statistical methodology and other resources to identify reported provider and enrollee data points that are statistical outliers in terms of geographic access at the state, regional, county and ZIP code level.
- c. **Provider Availability:** A tool that uses statistical methodology to determine reported provider data points that are outliers in terms of provider capacity to see new patients.

- d. **Specialist Capacity:** A tool that uses statistical methodology, provider-to-enrollee ratios, FTE and other resources to determine reported provider and enrollee data points that are statistical outliers in terms of availability and capacity of specialty providers on the state, regional, county and ZIP code level.
- e. **Advanced De-Duplication:** A tool that uses statistical methodology, algorithms and various data points to identify likely duplicate providers.
- f. **Data Integrity:** A statistical analysis to identify statistical significance of health plan data reporting errors.

### **Task 1**

Tasks must be completed on an annual basis throughout the contract term.

- 1.1 Review and propose improvements to existing statistical tools described in Task 1 Overview. Improvements should be proposed to strengthen the analysis, the reliability of the tools, or to allow for additional analysis within the tools, consistent with accepted statistical methods.
- 1.2 Propose additional metrics, measurements, or other data to incorporate into the existing tools identified in Task 1 Overview, based on the Department's objectives. Apply and test statistical tools, using existing data sources housed within the Department, and public data sources available to the Department.
- 1.3 Implement the statistical tools identified in Task 1 Overview (*as improved by Tasks 1.1 and 1.2*) using the most recently reported health plan data submissions from a multitude of health plan networks. The Contractor will use software programs that are compatible with Microsoft Access, Microsoft Excel, and Tableau to improve existing methodologies within identified tools. The Contractor will incorporate the recommended new elements or methodologies into the new tools for use by the Department on an ongoing basis.
- 1.4 Provide information in an Excel tracking log of the data generated from each statistical tool, organized by unique network. The Tracking log will be used by the Department to make final network adequacy compliance determinations for each plan network, incorporating results of statistical analysis and other information provided to the Department by each plan.
- 1.5 Prepare written memoranda memorializing changes to statistical tools and explaining statistical basis and reliability of the enhanced methodology.

### **Deliverables**

Deliverables are to be completed on an annual basis throughout the contract duration. Due dates for deliverables are approximate and may be amended depending on business needs. The Department will provide at least 60 days' notice of any change in deliverable due date.

- a. **Tasks 1.1:** Written documentation outlining all improvements and additional metrics to existing tools, where such improvements and metrics have been adopted by the Department.

Due Date: July 31, 2018 and annually thereafter

- b. **Task 1.2:** Test results derived from the improved statistical tools using health plan data from the previous year to ensure the reliability of the improvements.

Due Date: July 31, 2018 and annually thereafter

- c. **Task 1.3:** Implement and provide results of the statistical tools to the Department. To the extent applicable, Contractor will provide the Department with software code or other specialized tools needed by the Department to recreate and implement the improved tools on an ongoing basis.

Due Date: September 15, 2018 and annually thereafter

- c. **Task 1.4:** Provide tracking logs pertaining to implementation of the improved statistical tools.

Due Date: October 15, 2018 and annually thereafter

- d. **Task 1.5:** Prepare written memoranda memorializing changes to statistical tools, and explaining the statistical or other basis for improvements or additions to the tools.

Due Date: November 15, 2018 and annually thereafter

**Task 2 Overview: Develop New Statistical Tools.** For those areas that are not currently measured by the Department with statistical tools, (e.g., the review of ancillary provider geographic access and capacity), the Contractor shall propose new statistical and analytical tools for evaluating both existing and new data sources for compliance with network adequacy standards. This includes recommending innovative statistical tools that can create a more comprehensive approach to the statistical analysis and incorporate additional variables including provider availability based on time-elapsed and other standards. Evaluate available data sources to develop and implement innovative statistical tools, based on accepted statistical methods, for measuring provider network data for health plan compliance, based on Department objectives.

The subject areas of new statistical tools may include, but are not limited to, the following:

- a. **Reasonable Geographic Access to Ancillary Providers:** Develop innovative statistical tools to evaluate network data for measuring reasonable geographic access to ancillary providers and identifying outlier data among ancillary provider types and geographic regions, using available health plan data sources, geographic mapping software, and other metrics and tools as appropriate.
- b. **Ancillary Provider Ratios** - Using the Department's annual network submission from health plans, established timely access standards and other resources, such as data posted by the Centers for Medicare and Medicaid Services and the Office for Statewide Health Planning and Development, regarding patient utilization patterns, engage in statistical analysis to develop recommended ancillary capacity measures (e.g. provider-to-enrollee ratios, recommended number of providers, etc.). The tools should address various factors including provider availability, regional variables, patterns of practice, expected regional enrollment, and provider availability through contracts with other reporting health plans.
- c. **Grievance Data:** Using the annual access grievances submission by health plans, as well as DMHC Help Center complaints and other sources of grievance data, develop an innovative statistical tool to measure and evaluate the significance of different areas of health plan grievance data pertaining to provider access and availability, in combination with other access and availability data sources.

- d. **Alternative Geographic Access Standards:** For plans that cannot meet established regulatory time/distance standards and request approval of alternative standards, develop innovative statistical tools to determine reasonable alternative access standards, using a compilation of health plan data, mapping software and other available data sources.
- e. **Combining Provider Capacity with Geographic Availability:** Currently, provider network capacity and geographic availability are measured separately. Contractor is tasked with developing innovative statistical tools to evaluate provider availability by combining existing statistical approaches to geographic access with statistical approaches to “full-time equivalent” ratios and other measures of provider capacity, in order to determine networks that are statistical outliers with respect to providers that are both reasonably geographically accessible and available.
- f. **Timely Access Compliance Comparison:** Identify statistical methods that allow for a valid comparison between Timely Access Compliance data and the Annual Network data when evaluating the capacity and availability of specialist or primary care providers.
- g. **Other New Models:** Recommend other new statistical tools and areas for review based on the data sources that are regularly available to the Department. Develop such new models at the Department’s request.

## **Task 2**

Tasks must be completed on an annual basis throughout the contract term.

- 2.1 Work with the Department to identify priority subject areas for new statistical tools.
- 2.2 In coordination with the Department, identify at least two new statistical tools, based on accepted statistical methods, to implement per fiscal year, for the duration of the contract.
- 2.3 Meet with the Department during the development process to provide status updates and discuss Contractor’s potential approaches to measurements within the chosen tools. Discuss available data sources and other possible data sources, and available metrics pertaining to chosen tools.
- 2.4 Develop and test the new statistical tools using health plan data from the previous year to ensure the reliability of the new tools.
- 2.5 Implement the new statistical tools and provide results to the Department using the most recent health plan data and other sources as needed. The Contractor will provide results through software programs that are compatible with Microsoft Excel, Microsoft Access and Tableau for use by the Department on an ongoing basis. To the extent applicable, Contractor will provide the Department with software code or other specialized tools needed by the Department to recreate and implement the tools on an ongoing basis
- 2.6 Provide information in an Excel tracking log of the data generated from each statistical tool, organized by unique network. Tracking log will be used by the Department to make final network adequacy compliance determinations for each plan network, incorporating results of statistical analysis and other information provided to the Department by each plan
- 2.7 Prepare written memoranda memorializing chosen statistical tools and explaining statistical basis and reliability of the methodology.

### **Deliverables**

Deliverables are to be completed on an annual basis throughout the duration of the contract. Due dates for deliverables are approximate and may be amended depending on business needs. The Department will provide at least 60 days' notice of any change in deliverable due date.

- a. **Tasks 2.1:** Provide a list of DMHC-approved subject areas for new statistical tools

Due Date: July 31, 2018 and annually thereafter

- b. **Task 2.2:** Identify two new tools to be developed for the subject areas identified in Task 2.1.

Due Date: July 31, 2018 and annually thereafter

- c. **Task 2.3:** Meeting summaries for DMHC agreed-upon action.

Due Date: July 31, 2018 and annually thereafter

- d. **Task 2.4:** Provide test results of the new statistical tools using health plan data from the previous year to ensure the reliability of the tools.

Due Date: August 31, 2018 and annually thereafter

- e. **Task 2.5:** Implement and provide results of the new statistical tools to the Department, using the most recently reported health plan data along with software code.

Due Date: October 15, 2018 and annually thereafter

- d. **Task 2.6:** Provide information in an Excel tracking log of the data generated from each statistical tool, organized by unique network.

Due Date: October 15, 2018 and annually thereafter

- e. **Task 2.7:** Prepare written memoranda memorializing new statistical tools, describing the methodology used and explaining the statistical and/or other basis for the tools.

Due Date: November 15, 2018 and annually thereafter

**Task 3 Overview: Develop Data Integrity Tools.** Enhance existing data integrity models and create new data Integrity tools to evaluate the validity, integrity and reliability of the data health plans report.

### **Task 3**

Tasks must be completed on an annual basis throughout the contract term.

- 3.1** Review existing data validation tools and provide feedback to the Department regarding the ongoing validity of the tools as well as provide recommendations for improvements to the existing tools.

- 3.2** Recommend and create additional tools to evaluate the integrity and reliability of the data health plans report to the Department.
- 3.3** Develop new statistical tools, based on accepted statistical methods, for evaluating the additional data points, including a process and criteria to recognize and minimize errors in the collected data, identify health plans that have failed to correct documented errors and establish methods for determining data error rates that will help assess whether errors in reported data will affect the statistical credibility of the final results. Test the new tools using health plan data from the previous year to ensure the reliability of the tools.
- 3.4** Implement and provide results of the new tools to the Department, using the most recently reported health plan data. Implementation results shall be provided to the Department using software that is compatible with Microsoft Access, Microsoft Excel, and Tableau .
- 3.5** Provide information in an Excel tracking log of the data generated from each tool, organized by unique network. Tracking log will be used by Department to make final data integrity compliance determinations for each plan, incorporating results of statistical analysis and other information provided to the Department by each plan.
- 3.6** Prepare written memoranda memorializing new data integrity tools, describing the methodology used, and explaining the statistical and/or other basis for the tools.

### **Deliverables**

Deliverables are to be completed on an annual basis throughout the duration of the contract. Due dates for deliverables are approximate and may be amended depending on business needs. The Department will provide at least 60 days' notice of any change in deliverable due date.

- a. **Task 3.1:** Provide written recommendations to the Department regarding which statistical tools should continue to be implemented, which tools should be adjusted, and which tools are no longer useful in reviewing the validity of health plan data.

Due Date: December 31, 2018, and annually thereafter

- b. **Task 3.2:** Provide written documentation recommending statistical and analytic tools pursuant to Task 3 Overview that can be used to evaluate the integrity and reliability of plan-reported data.

Due Date: February 28, 2019, and annually thereafter

- c. **Task 3.3:** Provide new statistical tools for evaluating health plan data validity where such tools and metrics have been adopted by the Department. Provide test results for the new tools using health plan data from the previous year to ensure the reliability of the tools.

Due Date: March 31, 2019, and annually thereafter

- d. **Task 3.4:** Provide the results of implementation to the Department using software compatible with the Department's programs, for use by the Department on an ongoing basis. To the extent applicable, Contractor will provide the Department with software code or other specialized tools needed by the Department to recreate and implement the statistical tools on an ongoing basis.

Due Date: April 30, 2019 and annually thereafter

- e. **Task 3.5:** Provide tracking logs pertaining to implementation of the chosen statistical tools.

Due Date: April 30, 2019 and annually thereafter

- f. **Task 3.6:** Prepare written memoranda memorializing new data integrity statistical tools, describing the methodology used, and explaining the statistical and/or other basis for the tools.

Due Date: May 31, 2019 and annually thereafter

### **Objective 2: Network Filings and Block Transfers: Tasks and Deliverables**

In addition to reviewing health plan provider networks on an annual basis, the Department is also charged with reviewing health plan networks on an ad hoc basis whenever a plan intends to create a new network, change its service area, or experiences significant changes in the providers who are contracted with the network. These types of network reviews are referred to as “network filings” because they are typically submitted by health plans through the Department’s “efile” licensing system when applying for a new license or reporting a material modification or amendment to the health plan’s license. These types of reviews may also be required when the Department receives notice of a network change through the block transfer system. Block transfers are the process by which health plans notify the Department that a major medical group or hospital in the Plan’s provider network will no longer be available to enrollees due to a contract termination.

In general, when the Department receives a network filing, it conducts a prospective review of the network to evaluate how the intended change to the provider network will impact network adequacy and to ensure that the Plan will be able to meet all network adequacy standards prior to moving forward with the change.

Network filing reviews differ from annual network reviews in two notable ways: 1.) The review is prospective, rather than retrospective; and 2.) Network reviews are conducted on a plan-by-plan basis, rather than a review of all health plan networks at one time. Currently, the Department does not have any statistical tools that have been developed specifically for the network filing review process.

**Task 1 Overview: Statistical Tools for Network Filing and Block Transfer Reviews** – Provide recommendations for the use of statistical tools, based on accepted statistical methods, for the Department’s review of health plan compliance with network adequacy requirements, namely: health plan license applications, health plan license modifications and amendments (e.g. new networks, service area expansions and withdrawals, and significant network changes) and block transfer filings (health plan contract terminations with major provider groups and hospitals). Such tools should focus on some or all of the following areas of compliance:

- i. Overall provider network capacity;
- j. Capacity of the primary care network;
- k. Capacity of the specialist, mental health, and ancillary network;
- l. “Full-time equivalency” availability of providers;

- m. Enrollee geographic access to PCPs and hospitals;
- n. Enrollee geographic access to specialists, mental health and ancillary providers;
- o. Access to a comprehensive array of all medically necessary providers;
- p. Alternative geographic access standards;
- q. Availability of hospital-based providers; and
- r. Provider admitting/practice privileges to contracted facilities

### **Task 1**

Tasks must be completed on as needed basis throughout the contract term

- 1.1** Modify existing **statistical** tools developed for Annual Network Review so that they are applicable to other network review tasks, such as network filings or block transfers, undertaken by the Department.
- 1.2** Recommend new **statistical** tools, based on accepted statistical methods, that the Department may implement in evaluating the adequacy of health plan networks in other provider network compliance review processes (i.e. network filings and block transfers). Statistical tools shall be compatible with Microsoft Access, Microsoft Excel, or Tableau.
- 1.3** Provide advice and input on existing **analytical** tools currently utilized by the Department when evaluating provider network compliance in network filings and block transfers.
- 1.4** Apply and test statistical/analytical tools, using existing data sources housed within the Department, and public data sources available to the Department.
- 1.5** Prepare written memoranda memorializing chosen tools and explaining statistical basis and reliability of the methodology.

### **Deliverables**

Deliverables are to be completed on an ongoing basis throughout the contract duration..

- a. **Task 1.1:** Implement new statistical tools developed pursuant to Task 1 Overview where such tools and metrics have been adopted by the Department.

Due Date: Within 60 days of Department request or within a reasonable timeframe agreed upon by both parties.

- b. **Task 1.2:** Recommend **statistical** tools based on existing statistical approaches and novel approaches developed pursuant to Task 1 Overview. Provide recommendations to the Department for use by the Department on an ongoing basis. To the extent applicable, Contractor will provide the Department with software code or other specialized tools needed by the Department to create and implement the methodologies on an ongoing basis.

Due Date: Within 60 days of Department request or within a reasonable timeframe agreed upon by both parties.

- c. **Task 1.3:** Recommend improvements to existing **analytical** tools based on existing statistical approaches and novel approaches developed pursuant to Task 1 Overview. Provide recommendations to the Department for use on an ongoing basis

Due Date: Within 60 days of Department request or within a reasonable timeframe agreed upon by both parties.

- d. **Task 1.4:** Test results derived from the new and improved statistical tools to ensure the reliability of the tools.

Due Date: Within 60 days of Department request or within a reasonable timeframe agreed upon by both parties.

- e. **Task 1.5:** Written memoranda memorializing recommended methodologies developed pursuant to Task 1 Overview and tasks. Memoranda should describe the recommended methodologies and explaining the statistical and/or other basis.

Due Date: Within 60 days of Department request or within a reasonable timeframe agreed upon by both parties.

### **Objective 3: Timely Access Compliance: Tasks and Deliverables**

California law requires health plans to provide timely access to care. To demonstrate compliance with the timely access standards, health plans submit annual reports to the DMHC. These reports assess the wait times for appointments with providers in the health plan's network, using the DMHC standardized methodology for measurement. The DMHC reviews and analyzes the annual reports submitted by health plans and makes recommendations for changes that further protect California enrollees.

**Task 1 Overview: Improve Existing Standardized Provider Appointment Availability Methodology.** On an ongoing basis, provide consulting services regarding potential changes to the Department's Standardized Methodology.

#### **Task 1**

Tasks must be completed on an as needed basis throughout the contract term.

**1.1** Review existing Standardized Methodology and draft memorandums proposing additional metrics or other measurement methods that may improve the standardized methodology.

**1.2** Provide written instructions in memorandum format of DMHC approved changes to the standardized methodology, incorporating discussions from task 1.1.

#### **Deliverables**

Deliverables are to be completed on an ongoing basis throughout the contract duration.

- a. **Task 1.1:** Provide recommendations and associated written instructions in memorandum format.

Due Date: Within 30 days of Department request or within a reasonable timeframe agreed upon by both parties.

- b. **Task 1.2:** Written instructions in memorandum format of DMHC approved changes.

Due Date: Within 30 days of Department request or within a reasonable timeframe agreed upon by both parties.

**Task 2 Overview: Provide Statistical Analysis of Health Plan Reported Timely Access Data.**

On an annual basis, provide statistical analysis of health plan reported data

**Task 2**

Tasks must be completed on an annual basis throughout the contract duration.

- 2.1** Develop analysis and statistical tools to appropriately measure plan data and properly account for errors and/or anomalies in the data. Provide written description of analysis and tools to explain steps taken at a level of detail such that the description could be used to explain the statistical tools to a wide variety of audiences.
- 2.2** Identify patterns and trends in the data. Provide written description of patterns and trends and the methods used to identify them at a level of detail such that the description could be used to explain the information to a wide variety of audiences.
- 2.3** Create and provide graphs, description of any data adjustments, and data sets to illustrate findings from the plan data. Graphs shall be transmitted using Tableau software, description of data adjustments shall be transmitted through a word document and data sets shall be transmitted through excel.
- 2.4** Identify and provide memorandum with recommendations for changes that better protect consumers based on data.

**Deliverables**

Deliverables are to be completed on an annual basis throughout the duration of the contract. Due dates for deliverables are approximate and may be amended depending on business needs. The Department will provide at least 60 days' notice of any change in deliverable due date.

- a. **Task 2.1:** Written analysis and statistical tools to appropriately measure plan data and properly account for errors and/or anomalies in the data.

Due Date: Annually within 30 days of receipt of the draft Timely Access data or within a reasonable timeframe agreed upon by both parties.

- b. **Task 2.2:** Identify patterns and trends in the data and provide written description of patterns and trends as well as the method used to identify them.

Due Date: Annually within two weeks of the Department's approval of task 2.1, or within a reasonable timeframe agreed upon by both parties.

- c. **Task 2.3:** Create and provide graphs, description of any data adjustments and data sets to illustrate findings from the plan data.

Due Date: Annually within two weeks of the Department's approval of task 2.1, or within a reasonable timeframe agreed upon by both parties.

- d. **Task 2.4:** Identify and provide memorandum with recommendations for changes that better protect consumers based on data.

Due Date: Annually within 30 days of completion of tasks 2.2 and 2.3, or within a reasonable timeframe agreed upon by both parties.

**Objective 4: Ongoing Consultation**

The Contractor will provide ongoing consultation for the Department with regard to all areas of network review described herein: Annual Network Review, Network Filings, Block Transfers and Timely Access. These services may include advising the Department on the interpretation of a statistical tool and other activities or expertise on statistical modeling and analysis.

**F. PROPOSAL REQUIREMENTS AND INFORMATION**

**1. Key Action Dates**

<u>Event</u>	<u>Date</u>	<u>Time</u>
RFP Available to Prospective Proposers	February 23, 2018	
Last Day for Proposers to Submit Questions	March 2, 2018	4:00 p.m.
Answers to Questions Posted (Anticipated)	March 8, 2018	
Proposal Submittal Deadline	March 23, 2018	4:00 p.m.
Proposal Opening (Anticipated)	March 27, 2018	
Notice of Intent to Award (Anticipated)	April 04, 2018	
Proposed Award Date	April 23, 2018	
Contract Term (Anticipated)	June 1, 2018 – May 31, 2021	

**Note:** DMHC may modify this RFP prior to the Proposal Submittal Deadline above through the issuance of a formal addendum posted at <https://caleprocure.ca.gov>. All dates after the Proposal Submittal Deadline are approximate and may be adjusted as conditions indicate, without an Addendum to this RFP.

**2. Submission of Questions from Proposers**

All questions must be submitted in writing **prior to 4:00 p.m. PST on Friday, March 2, 2018** to Suzanne Yeh at [Suzanne.Yeh@dmhc.ca.gov](mailto:Suzanne.Yeh@dmhc.ca.gov). The responses to all questions received will be posted on <https://caleprocure.ca.gov> under the Provider Network and Timely Access Compliance – Statistical Analysis Methodology Development RFP (17MC-SA008) and on <http://HealthHelp.ca.gov>.

To ensure receipt of any addenda or questions and answers that may be issued, interested parties are encouraged to regularly check for new postings on <http://HealthHelp.ca.gov> under "What's New." All addenda and questions and answers will also be posted on <https://caleprocure.ca.gov>. Instructions for free registration to Cal eProcure can be found at: <http://www.documents.dgs.ca.gov/pd/caleprocure/RegistrationInstructions.pdf>.

### 3. **General Requirements**

- a. The Proposer must provide documentation (i.e. Certificate of Status from the California Secretary of State) to substantiate that they are in good standing and qualified to conduct business in California.

### 4. **References**

The Proposer is required to provide three references, on Attachment 5, Proposer References, for which the Proposer has provided similar services as described in Section E, Scope of Work. The DMHC retains the right to conduct reference checks beyond those provided.

### 5. **Work Plan Format and Requirements**

The Proposer shall develop a narrative Work Plan for task completion outlining their ability to fulfill the requested services as identified in Section E, Scope of Work. Please list "Attachment 6" at the top of your Work Plan. The Work Plan must include the following:

#### a. **Proposer's Qualifications**

The Proposer must provide the following information and/or materials to demonstrate their level of expertise, capacity, and knowledge to successfully conduct the work required by this RFP:

- A company résumé detailing expertise, education, and experience meeting DMHC's requirements as necessary to complete the tasks outlined in the Scope of Work in Section E, and meet the Minimum Qualifications described in Section C.
- Résumés for lead project personnel that will be assigned to the project (either staff or consultants to the Contractor and subcontractor(s)) that will provide services to the DMHC. Each résumé must detail the individual's expertise, education, and experience relevant to the services outlined in Section E, Scope of Work, and:
  1. At least one prior professional experience in which the consultant used geographic mapping and measurement software;
  2. At least three previous professional experiences in which the consultant had to utilize and gain knowledge of medical and health plan terminology.

#### b. **Project Description**

The Proposer must submit a detailed description of the techniques, approaches, methods, and timeframes to be used to complete each task in Section E, Scope of Work. The Project Description must include a detailed plan estimating the number of individuals and different teams that will be responsible for performing the requested services outlined in Section E, Scope of Work, and any administrative functions. A description of the lead project personnel and anticipated supporting personnel to be employed during contract performance by name, classification/title, and qualifications to perform the work must be included.

If for any reason, the personnel listed in the original proposal are unable to perform services during the term of the contract, the DMHC retains the right to approve in advance any changes to the personnel or terminate the Agreement.

If subcontractors are contemplated, identify those persons or firms, the portions of the work to be done by the subcontractors, and how and why they were selected. Provide résumés of each major subcontract participant and a description of how subcontracted work will be controlled, monitored and evaluated. Subcontractors will need to complete the same administratively required forms as the Proposer's personnel.

The Project description should include a detailed description of any assistance expected from the DMHC staff in performing the requested services.

**c. Work Samples**

The Proposers must submit three (3) work samples completed by the Proposer and their subcontractor(s) within the last five (5) years.

**d. Conflicts of Interest**

The Proposer must submit a detailed description of how it will monitor for potential conflicts of interest that may preclude it from accepting work assignments from the DMHC. The description should include the criteria to determine a conflict of interest and timeframe for notifying the DMHC after a conflict of interest has been identified. The Proposer must also include their policy and procedures for monitoring conflicts of interest. If the Proposer does not have a policy, they must provide an explanation of how they monitor for potential conflicts of interest.

**6. Cost Proposal Format and Requirements**

- a. The Proposer must complete the Cost Proposal, Attachment 4, in the prescribed format with a detailed budget for the Proposer and subcontractor(s), if applicable. Any deviation from the prescribed format, which in the opinion of the DMHC is material, may result in the rejection of the proposal. The proposed cost shall include all fees and expenses for providing services described in this RFP. The successful organization shall only be compensated based on actual services performed at the rates submitted.
- b. For each proposal submitted, the total cost of all Tasks shall not exceed the contract amount.
- c. All pricing shall remain firm and constant during the entire Agreement term and for any amendments.

**7. Submission of Proposal**

- a. Proposals should provide straight-forward and concise descriptions of the Proposer's ability to satisfy the requirements of this RFP. The proposal must be complete and accurate. Omissions, inaccuracies or misstatements may be cause for rejection of a proposal.
- b. Proposals must be submitted for the performance of all the services described herein. Any deviation from the work specifications will not be considered and may cause a proposal to be rejected, if it is conditional or incomplete, or if it contains any alterations of any form or other irregularities of any kind. The State may reject any or all proposals and may waive an immaterial deviation in a proposal. [The State's waiver of an immaterial deviation shall in no way modify the RFP document, or excuse the Proposer from full compliance with all requirements if awarded the Agreement.]

- c. All proposals shall include the documents identified in Attachment 1, Required Attachment Check List. Proposals not including the Attachments listed below shall be deemed non-responsive. A non-responsive proposal is one that does not meet the basic proposal requirements. All proposals must include the following Attachments:
- i. Attachment 1, Required Attachment Check List
  - ii. Attachment 2, Proposal/Proposer Certification Sheet
  - iii. Attachment 3, Minimum Qualifications Certification
  - iv. Attachment 4, Cost Proposal
  - v. Attachment 5, Proposer References
  - vi. Attachment 6, Work Plan
  - vii. Attachment 7, Darfur Contracting Act Certification (If Applicable)
  - viii. Attachment 8, DVBE Incentive Application request (If Applicable)
  - ix. Attachment 9, California Civil Rights Laws Certification
  - x. Attachment 10, Contractor Certification Clauses (CCC 04/2017)
- d. An individual who is contractually authorized to bind the proposing organization shall sign Attachment 2, Proposal/Proposer Certification Sheet. The signature must indicate the title or position that the individual holds in the organization. An unsigned proposal may be rejected.
- e. If the proposal is made under a fictitious name or business title, the actual legal name of the Proposer must be provided.
- f. More than one (1) proposal from an individual, organization, firm, partnership, corporation or association under the same or different names, will not be considered.
- g. Joint proposals are not acceptable. A joint proposal is when two (2) or more bidders sign and submit a bid together for requested services.
- h. The proposal package should be prepared in the least expensive method (i.e., cover page with a staple in upper left-hand corner, no elaborate bindings, etc.).
- i. All pages of the proposal shall have the following header and consecutive page numbering format in the upper right-hand corner:
- (Proposer's Legal Name)  
RFP No. 17MC-SA008  
Provider Network and Timely Access Compliance  
Statistical Analysis and Methodology Development
- j. The Proposer must submit one (1) original and four (4) copies of the proposal in its entirety to the DMHC.
- k. The original proposal must be marked "Original Copy". All documents contained in the original proposal package must have original signatures and must be signed by a person who is authorized to bind the proposing organization. All additional proposal sets may contain photocopies of the original package.
- l. The proposal box/envelope must list the Proposer's legal name and address, the RFP number and title, and must be marked "DO NOT OPEN" as shown in the following example, and shall be mailed or hand-delivered to:

(Proposer's Legal Name)  
(Proposer's Address)

**DO NOT OPEN**  
RFP No. 17MC-SA008:  
Provider Network and Timely Access Compliance  
Statistical Analysis and Methodology Development  
Department of Managed Health Care  
**Attn: Suzanne Yeh**  
980 9<sup>th</sup> Street, Suite 500  
Sacramento, CA 95814

- m. All proposals must be received under sealed cover by the DMHC contact listed above by **Friday, March 23, 2018 at 4:00 p.m. PST**. Proposals received after this date and time will not be considered. Proposals not submitted under sealed cover and marked as indicated may be rejected.
- n. When hand-delivering a proposal, the Proposer should have the receptionist date/time stamp the envelope immediately upon delivery. Proposals date/time stamped after the due date and time will not be accepted.
- o. A Proposer may modify a proposal after submission by withdrawing its original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in Section F, Proposal Requirements and Information, item 1, Key Action Dates. Proposal modifications offered in any other manner, oral or written, will not be considered.
- p. A Proposer may withdraw its proposal by submitting a written withdrawal request to the DMHC, signed by the Proposer or an authorized agent for the organization. A Proposer may then submit a new proposal prior to the proposal submission deadline. Subsequent to proposal submission deadline, proposals may not be withdrawn without cause.
- q. The Proposers are cautioned to not rely on the DMHC during the evaluation to discover and report to the Proposer any defects and errors in the submitted documents. Proposers, before submitting their documents, should carefully proof them for errors and adherence to the RFP requirements.
- r. The Proposer agrees that in submitting a proposal, they authorize the DMHC to verify any or all claimed information, proprietary or non-proprietary, by any reasonable means, including on-site inspection and to verify any references named in their proposal.
- s. Costs incurred for developing proposals and in anticipation of award of an Agreement, are entirely the responsibility of the Proposer and shall not be charged to the State of California.
- t. The DMHC reserves the right to reject all proposals and is not required to award an Agreement.
- u. No oral understanding or Agreement shall be binding on either party.

#### 8. Disposition of Proposals

- a. Upon proposal opening, all documents submitted in response to this RFP will become the property of the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 2650, et. seq.) and subject to review by the public.

- b. Proposal packages may be returned only at the Proposer's expense, unless such expense is waived by the DMHC.

**9. Evaluation Process and Criteria**

- a. At the time of proposal opening, each proposal will be checked for the presence or absence of the required information in conformance with the submission requirements of this RFP. A responsive proposal is one which meets or exceeds the requirements stated in this RFP.
- b. Proposals that contain false or misleading statements, or which provide references which do not support an attribute or condition claimed by the Proposer, may be rejected.
- c. Proposers claiming any of the bid preferences shall submit the proper required certification documents and check next to the applicable Attachment number on Attachment 1, Required Attachment Check List. Refer to the links in Section G, Preference Programs, in this RFP for information regarding these preference programs.

**Evaluation Criteria is set as follows:**

**Stage 1: Minimum Qualifications**

The proposals that meet the minimum qualifications will be evaluated and scored according to the criteria indicated below.

**Stage 2: Proposer's Capacity to Perform the Contracted Services**

- a. All proposals passing the Minimum Qualifications Requirement will be evaluated and scored for their degree of responsiveness to each of the components mentioned below.
- b. An overall maximum points of 155 possible points may be achieved in this stage and an overall minimum of 109 points must be achieved to be considered a responsive proposal. (A responsive proposal is one that meets the requirements stated in this RFP).
- c. Proposals will be reviewed, evaluated and scored by an authorized Evaluation Committee. Evaluation of proposals will be based on the criteria shown as follows for each component; each component will be scored according to the degree of responsiveness present in the proposal being evaluated. A component score will not exceed the possible points shown for that component. A minimum of 50% of the maximum possible score must be achieved for each category (i.e. A. Project Personnel, B. Project Description, C. Work Samples and D. Conflict of Interest).

Evaluation Criteria	Maximum Possible Score
<b>1. WORK PLAN EVALUATION (155 points maximum)</b>	
<b>A. <u>Project Personnel:</u></b> The staff expertise and qualifications for those individuals who will be assigned to perform contract work for the DMHC.	<b>Maximum Points: 35 Minimum Passing Score: 17.5</b>
<ul style="list-style-type: none"> <li>• Experience using geographic mapping and measurement software.</li> </ul>	10
<ul style="list-style-type: none"> <li>• Familiarity with medical and health plan terminology.</li> </ul>	15
<ul style="list-style-type: none"> <li>• Experience performing statistical analysis using health data</li> </ul>	10
<b>B. <u>Project Description:</u></b>	<b>Maximum Points: 90 Minimum Passing Score: 45</b>
<b>Project Description Part 1:</b> Does the proposal contain a detailed description of the techniques, approaches, methods and timeframes to be used to complete each task below.	
<ul style="list-style-type: none"> <li>• Objective 1: Annual Network Review, Task 1: Improve existing statistical tools and/or propose new metrics.</li> </ul>	10
<ul style="list-style-type: none"> <li>• Objective 1: Annual Network Review, Task 2: Develop new statistical tools</li> </ul>	10
<ul style="list-style-type: none"> <li>• Objective 1: Annual Network Review, Task 3: Develop data integrity tools.</li> </ul>	10
<ul style="list-style-type: none"> <li>• Objective 2: Network Filings and Block Transfers, Task 1: Statistical tools for network filing and block transfer reviews.</li> </ul>	10
<ul style="list-style-type: none"> <li>• Objective 3: Timely Access Compliance, Task 1: Improve existing standardized provider appointment availability methodology.</li> </ul>	10
<ul style="list-style-type: none"> <li>• Objective 3: Timely Access Compliance, Task 2: Provide statistical analysis of health plan reported timely access data.</li> </ul>	10
<ul style="list-style-type: none"> <li>• <b>Project Description Part 2:</b> Does the proposal include a detailed plan estimating the number of individuals and different teams that will be responsible for performing the requested services outlined below, as well as any administrative functions. Additionally, does the proposal include the name, classification/title and qualifications of all personnel that will be employed on the project.</li> </ul>	
<ul style="list-style-type: none"> <li>• Objective 1: Annual Network Review, Task 1: Improve existing statistical tools and/or propose new metrics.</li> </ul>	5
<ul style="list-style-type: none"> <li>• Objective 1: Annual Network Review, Task 2: Develop new statistical tools</li> </ul>	5
<ul style="list-style-type: none"> <li>• Objective 1: Annual Network Review, Task 3: Develop data integrity tools.</li> </ul>	5
<ul style="list-style-type: none"> <li>• Objective 2: Network Filings and Block Transfers, Task 1: Statistical tools for network filing and block transfer reviews.</li> </ul>	5
<ul style="list-style-type: none"> <li>• Objective 3: Timely Access Compliance, Task 1: Improve existing standardized provider appointment availability methodology.</li> </ul>	5
<ul style="list-style-type: none"> <li>• Objective 3: Timely Access Compliance, Task 2: Provide statistical analysis of health plan reported timely access data.</li> </ul>	5

<b>C. <u>Work Samples</u></b>	<b>Maximum Points:15 Minimum Passing Score: 7.5</b>
• Demonstrates the ability to perform complex statistical analysis.	5
• Encompasses the full range of the statistical analysis process.	5
• Demonstrates the ability to convey information clearly and concisely.	5
<b>D. <u>Conflicts of Interest</u></b>	<b>Maximum Points: 15 Minimum Passing Score: 7.5</b>
• Submit a detailed description of how the proposer will monitor for potential conflicts of interest that may preclude it from accepting work assignments from the DMHC.	5
• The description includes criteria to determine a conflict of interest and timeframe for notifying the DMHC after a conflict of interest has been identified.	5
• The Proposer must also include their policy and procedures for monitoring conflicts of interest. If the Proposer does not have a policy, they must provide an explanation of how they monitor for potential conflicts of interest.	5
<b>Total Possible Points</b>	<b>155</b>

**Stage 3: Cost Proposal Evaluation and Scoring**

The points for the Cost Proposal for each responsive proposer shall first be adjusted before any of the preference programs for which they qualify and any DVBE incentive points. Refer to the links in Section G, Preference Programs, for information regarding preference programs and Section H, Disabled Veteran Business Enterprise (DVBE) Incentive Program on how DVBE incentive points are calculated.

- a. The proposal work plan offering the lowest total cost proposal shall receive the maximum 70 cost points.
- b. Cost points for the remaining proposals shall be determined by applying the following formula:

$$\frac{\text{Lowest Cost Proposal}}{\text{Other Cost Proposal}} = \text{Factor}$$

$$\text{Factor} \times 70 \text{ (max. cost points)} = \text{Cost Points for Other Organization}$$

Example:

$$\text{Lowest Cost Proposal} = \$75,000 \text{ divided by the other proposal: } \$100,000 = 0.75$$

Result:

$$0.75 \times 70 = 52.5 \text{ cost points awarded to other proposal}$$

Final calculations shall result in numbers rounded to two decimal places.

**Stage 4: Total Points Calculation**

For all proposals achieving a passing score in Stage 2, the DMHC will combine the organization's score earned in Stage 2 to the Proposer's cost points calculated in Stage 3 as follows:

$$\text{Total Points} = \text{Components Score} + \text{Cost Proposal Score}$$

Awards, if made, will be to the highest scored responsive proposal. In the event of a precise tie, the winner shall be determined by a coin toss. Affected organizations will be contacted to participate in the coin toss.

Evaluation Criteria	Maximum Possible Score
<b>Components Evaluation (Stage 2)</b>	<b>155</b>
<b>Cost Proposal (Stage 3)</b>	<b>70</b>
<b>TOTAL POINTS</b>	<b>225</b>
<b>Preference Program(s) Points</b>	
<b>DVBE Incentive Points</b>	
<b>GRAND TOTAL POINTS</b>	

**10. Award and Protest**

- a. Notice of the proposed award shall be posted in the DMHC lobby at 980 9<sup>th</sup> Street, Suite 500, Sacramento, CA 95814 and at [www.dmhc.ca.gov](http://www.dmhc.ca.gov) for **five (5) business days prior to award of the Agreement.**
- b. If any Proposer, prior to award of the Agreement, files a protest with the DMHC, 980 9<sup>th</sup> Street, Suite 500, Sacramento, CA 95814 and the DGS, Office of Legal Services, 707 Third Street, 7<sup>th</sup> Floor, Suite 7-330, West Sacramento, CA 95605, on the grounds that the (protesting) Proposer would have been awarded the Agreement had the Department evaluated and scored their proposal as described in the RFP, the Agreement shall not be awarded until either the protest has been withdrawn or the DGS has decided the matter. It is suggested that any protest be sent by certified or registered mail.
- c. Within five (5) days after filing the initial protest, the protesting Proposer shall file with the DGS, Office of Legal Services and the DMHC a detailed statement specifying the grounds for the protest. The protest must be submitted to the address listed in item b, above.
- d. Upon resolution of the protest and award of the Agreement, Contractor must complete and submit the Payee Data Record (STD. 204 Form) to determine if the Contractor is subject to state income tax withholding pursuant to the California Revenue and Taxation Code Sections 18662 and 26131. This form is available at: <http://www.documents.dgs.ca.gov/dgs/fmc/pdf/std204.pdf>

No payment shall be made unless a completed STD. 204 has been returned to the DMHC.

- e. Upon resolution of protest and award of an Agreement, the Contractor must sign and submit the Contractor Certification Clauses (CCC 04/2017) which are available at: <http://www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx>.

## 11. Agreement Execution and Performance

- a. Performance shall start on the express date set by the DMHC and the Contractor, after all approvals have been obtained and the Agreement is fully executed. Should the Contractor fail to commence work at the agreed upon time, the DMHC, upon five (5) days written notice to the Contractor, reserves the right to terminate the Agreement.
- b. The State's General Terms and Conditions (GTC) are not negotiable. The DMHC does not accept alternate Agreement language from a Contractor. A proposal with such language will be considered a counter proposal and will be rejected. The GTC 04/2017 may be viewed at <http://www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx>. If you do not have internet access, a hard copy of the GTC can be provided by contacting the person identified within this solicitation.
- c. All performance under the Agreement shall be completed on or before the termination date of the Agreement.

## G. PREFERENCE PROGRAMS

The standard Agreement language for the preference programs applied to this RFP can be found at the Internet web sites listed below:

1. Small Business Preference - [www.documents.dgs.ca.gov/pd/smallbus/sbregs.pdf](http://www.documents.dgs.ca.gov/pd/smallbus/sbregs.pdf).
2. Non-Small Business Subcontractor Preference – [www.documents.dgs.ca.gov/pd/smallbus/sbregs.pdf](http://www.documents.dgs.ca.gov/pd/smallbus/sbregs.pdf).
3. Target Area Contract Preference Act (TACPA) <http://www.documents.dgs.ca.gov/pd/poliproc/tacpapage.pdf>.

If applying for one of these preference programs, please be sure to complete and submit the required documents, which can be found at the above links.

## H. DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) INCENTIVE PROGRAM

Note: The DVBE participation requirement has been waived; however, the DVBE Incentive Program will apply for this RFP.

Under California Code of Regulations (CCR) Title 2, Section 1896.99.100, the California DVBE Incentive provides responsive and responsible firms the opportunity to receive additional incentive calculations. The incentive is applied at the time of solicitation evaluation when a proposing firm selects a California-certified DVBE subcontractor to provide services or commodities in support of the overall contract effort. Application of the DVBE Incentive may place the proposing firm in line for contract award.

The following are key elements of the DVBE Incentive Program:

1. The DVBE Incentive is applied during the evaluation process and is applied *only* to responsive proposals from responsible organizations proposing the percentage(s) of DVBE participation for the incentive(s) specified in the solicitation.
2. The DVBE Incentive participation is optional and at the discretion of the proposing organization.

3. When requesting the Incentive Application, proposing firms must complete and return the DVBE Incentive Application Request (Attachment 8) with their proposal at time of submission.
4. The Incentive is calculated by multiplying the solicitation's total points possible by the level of DVBE participation (%) identified by the proposing firm. This amount is then added to the proposer's total points to determine if they have the highest total score. Computation is for evaluation purposes only and cannot be used to achieve any applicable minimum point requirements. (2 CCR 1896.99.100 (d))
5. Services or commodities provided by the DVBE organization MUST meet the definition of a "Commercially Useful Function" (CUF) as defined under Government Codes 14837(d)(4) and Military and Veterans Code 999(b)(5)(B). A DVBE firm not meeting CUF regulations will render the proposing organization ineligible for the DVBE Incentive application.
6. The DVBE Incentive application will be based on the Highest Total Score Method and follows the guidelines identified below:
  - a. The Incentives shall not exceed 5%, nor be less than 1% of the total possible points, not including points for socioeconomic incentives or preferences. (2 CCR 1896.99.120 (b))
  - b. Incentive points are included in the sum of non-cost points, and are based on amounts of participation.

**SAMPLE:** Using the incentive scale below (Display is for illustration purposes only)

Confirmed DVBE Participation	Possible Points Calculation:
1% - 1.99% inclusive	1% X 100 = 1
2% - 2.99% inclusive	2% X 100 = 2
3% - 3.99% inclusive	3% X 100 = 3
4% - 4.99% inclusive	4% X 100 = 4
5% and Higher	5% X 100 = 5

SAMPLE RESULTS	PROPOSER A	PROPOSER B	PROPOSER C
Responsive/Responsible	Yes	Yes	Yes
Total Points	80	87	85
Eligible Preference	SB	None	SB
SB Preference Points Applied	4.35	0	4.35
Subtotal	84.35	87	89.35
Rank	3	2	1
Confirmed DVBE Participation	None (0%)	Yes (5%)	Yes (2%)
Incentive Points Applied	0	5	2
Adjusted Points	84.35	92	91.35
New Rank	3	1	2

**Order of Evaluation**

- i. Small Business Preference is calculated by multiplying the highest total points achieved by a Non-Small Business by 5% and adding the resulting calculation to the total points of

the certified Small Business firm(s). In this sample, the calculation was based on 87 points x .05 resulting in 4.35 additional points added to the certified Small Businesses (A and C).

- ii. The DVBE Incentive points are factored by multiplying the DVBE participation (%) identified by the total possible points that could be awarded (100). This amount is then added to the firm's total points. In the sample above, Firm B had 5 additional points added (.05% x 100 total possible points) to their total points placing them first for award. Firm C received 2 Incentive points, but this was not enough to place them first for award).
- iii. Under the Highest Total Score Method, it is possible to displace a high point Certified Small Business with the Application of the DVBE Incentive.

I. ATTACHMENTS

**ATTACHMENT 1**

REQUIRED ATTACHMENT CHECK LIST

Proposer's Name: \_\_\_\_\_

**A complete proposal package will consist of all required items listed in the RFP as well as those identified below.** Place an "X" next to each Attachment that you are submitting to the State. For your proposal to be considered responsive, all Required Attachments must be submitted with this checklist on top.

Included ✓	Attachment Number	Attachment Name / Description	Form Required
<input type="checkbox"/>	1	Required Attachment Check List	Yes
<input type="checkbox"/>	2	Proposal/Proposer Certification Sheet	Yes
<input type="checkbox"/>	3	Minimum Qualifications Certification	Yes
<input type="checkbox"/>	4	Cost Proposal	Yes
<input type="checkbox"/>	5	Proposer References	Yes
<input type="checkbox"/>	6	Work Plan	Yes
<input type="checkbox"/>	7	Darfur Contracting Act Certification	If Applicable
<input type="checkbox"/>	8	DVBE Incentive Application Request	If Applicable
<input type="checkbox"/>	9	California Civil Rights Laws Certification	Yes
<input type="checkbox"/>	10	CCC 04/2017 Certification	Yes

**ATTACHMENT 2**  
 (Page 1 of 2)

PROPOSAL/PROPOSER CERTIFICATION SHEET

This sheet must be signed and returned along with all the Required Attachments and must bear an original signature of someone authorized to bind your organization contractually.

The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.

**An Unsigned Proposal/Proposer Certification Sheet May Be Cause for Rejection**

1. Organization/Company Name	2. Telephone Number (   )	2a. Fax Number (   )
3. Address		
Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number:		
7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
9. Indicate applicable license and/or certification information:		
10. Proposer's Name (Print)	11. Title	
12. <b>Signature</b>	13. Date	
14. Are you certified with the Department of General Services, Office of Small Business and Disabled Veteran Certification (OSDC) as:		
a. Small Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter certification number: _____	b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/> If yes, enter your service code below: _____	
<b>NOTE:</b> A copy of your Certification is required to be included if either of the above items is checked "Yes". Date application was submitted to OSDC, if an application is pending:		

**ATTACHMENT 2**  
 (Page 2 of 2)

**Completion Instructions for Proposal/Proposer Certification Sheet**

Complete the numbered items on the Proposal/Proposer Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Items 1, 2 and 3 are required. Item 2a is optional.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary Agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Indicate applicable license and/or certification information that your firm possesses and that is required for the type of services being procured.
10, 11, 12, 13	These items are required.
14	If certified as a Small Business Enterprise, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veteran Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSDC.

**ATTACHMENT 3**

MINIMUM QUALIFICATIONS CERTIFICATION

The Proposer must substantiate that it satisfies each of the minimum qualifications, to DMHC's satisfaction, to be given further consideration for a contract award. The statement must contain sufficient information as prescribed to assure DMHC of its accuracy. Failure to provide complete information, based on DMHC's sole judgment, will result in the immediate rejection of the bid.

**Please indicate the page number where documentation for each Minimum Qualification is located in the proposal.**

Qualification	Included in Proposal	Documentation can be found on:
1. The Proposer must have at least one staff member with a Master's degree or Ph.D. in statistics or an equivalent field.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page _____
2. The Proposer must have at least one staff member that has a minimum of one year experience researching, studying, or analyzing managed health care structures and operations, and/or experience providing services to a managed health care organization or managed health care regulatory agency; and	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page _____
3. The Organization must have at least one staff member who is able to perform advanced functions in Microsoft Excel (i.e. create formulas, pivot tables and relational tables) and develop data visualization models for publication utilizing Tableau software.	<input type="checkbox"/> Yes <input type="checkbox"/> No	Page _____

\_\_\_\_\_  
 Proposer's Authorized Signature

\_\_\_\_\_  
 Print Name

\_\_\_\_\_  
 Title

\_\_\_\_\_  
 Date

**ATTACHMENT 4**  
**COST PROPOSAL**  
 Page 1 of 9

The proposed rates will remain the same throughout the contract term. This includes the optional year, should the DMHC exercise the right to extend the agreement.

**Term 1: June 1, 2018 through May 31, 2021**

**Deliverable Based Components:**

<b>Objective 1: Annual Network Review</b>						
<b>Task #</b>	<b>Deliverable</b>	<b>Due Date</b>	<b>Classification/Title</b>	<b>Hourly Rate</b>	<b>Approximate Number of Hours</b>	<b>Extended Total</b>
1.1	Written documentation outlining all improvements and additional metrics to existing tools.	07/31/18 and annually thereafter.				
<b>Total Cost:</b>						
1.2	Test results derived from the improved statistical tools.	07/31/18 and annually thereafter.				
<b>Total Cost:</b>						
1.3	Implement and provide results of the statistical tools to the Department.	09/15/18 and annually thereafter.				
<b>Total Cost:</b>						

**ATTACHMENT 4**  
**COST PROPOSAL**  
 Page 2 of 9

<b>Objective 1: Annual Network Review</b>						
<b>Task #</b>	<b>Deliverable</b>	<b>Due Date</b>	<b>Classification/Title</b>	<b>Hourly Rate</b>	<b>Approximate Number of Hours</b>	<b>Extended Total</b>
1.4	Provide tracking logs pertaining to implementation of the improved statistical tools.	10/15/18 and annually thereafter.				
<b>Total Cost:</b>						
1.5	Written memoranda memorializing changes to statistical tools.	11/15/18 and annually thereafter.				
<b>Total Cost:</b>						
2.1	Provide a list of DMHC-approved subject areas for new statistical tools.	07/31/18 and annually thereafter.				
<b>Total Cost:</b>						
2.2	Identify two new tools to be developed for the subject areas identified in Task 2.1.	07/31/18 and annually thereafter.				
<b>Total Cost:</b>						

**ATTACHMENT 4**  
**COST PROPOSAL**  
 Page 3 of 9

<b>Objective 1: Annual Network Review</b>						
<b>Task #</b>	<b>Deliverable</b>	<b>Due Date</b>	<b>Classification/Title</b>	<b>Hourly Rate</b>	<b>Approximate Number of Hours</b>	<b>Extended Total</b>
2.3	Meeting summaries for DMHC agreed-upon action.	07/31/18 and annually thereafter.				
<b>Total Cost:</b>						
2.4	Provide test results of the new statistical tools.	08/31/18 and annually thereafter.				
<b>Total Cost:</b>						
2.5	Implement and provide results of the statistical tools to the Department.	10/15/18 and annually thereafter.				
<b>Total Cost:</b>						
2.6	Provide information in an Excel tracking log of the data generated from each statistical tool, organized by unique network.	10/15/18 and annually thereafter.				
<b>Total Cost:</b>						

**ATTACHMENT 4**  
**COST PROPOSAL**  
 Page 4 of 9

<b>Objective 1: Annual Network Review</b>						
<b>Task #</b>	<b>Deliverable</b>	<b>Due Date</b>	<b>Classification/Title</b>	<b>Hourly Rate</b>	<b>Approximate Number of Hours</b>	<b>Extended Total</b>
2.7	Prepare written memoranda memorializing new statistical tools.	11/15/18 and annually thereafter.				
<b>Total Cost:</b>						
3.1	Provide written recommendations to the Department.	12/31/18 and annually thereafter.				
<b>Total Cost:</b>						
3.2	Provide written documentation recommending statistical and analytic tools pursuant to Task 3 Overview.	02/28/19 and annually thereafter.				
<b>Total Cost:</b>						
3.3	Provide new statistical tools for evaluating health plan data validity as well as test results for the new tools.	03/31/19 and annually thereafter.				
<b>Total Cost:</b>						

**ATTACHMENT 4**  
**COST PROPOSAL**  
 Page 5 of 9

<b>Objective 1: Annual Network Review</b>						
<b>Task #</b>	<b>Deliverable</b>	<b>Due Date</b>	<b>Classification/Title</b>	<b>Hourly Rate</b>	<b>Approximate Number of Hours</b>	<b>Extended Total</b>
3.4	Provide the results of implementation to the Department.	04/30/19 and annually thereafter.				
<b>Total Cost:</b>						
3.5	Provide tracking logs pertaining to implementation of the chosen statistical tools.	04/30/19 and annually thereafter.				
<b>Total Cost:</b>						
3.6	Prepare written memoranda memorializing new data integrity statistical tools.	05/31/19 and annually thereafter.				
<b>Total Cost:</b>						

**ATTACHMENT 4**  
**COST PROPOSAL**  
 Page 6 of 9

**Time and Material Components:**

Objective 2: Network Filings and Block Transfers						
Task #	Deliverable	Due Date	Classification/Title	Hourly Rate	Approximate Number of Hours	Extended Total
1.1	Implement new statistical tools developed pursuant to Task 1 Overview.	Within 60 days of Department request.				
<b>Total Cost:</b>						
1.2	Recommend <b>statistical</b> tools based on existing statistical approaches and novel approaches developed pursuant to Task 1 Overview.	Within 60 days of Department request.				
<b>Total Cost:</b>						
1.3	Recommend improvements to existing <b>analytical</b> tools based on existing statistical approaches and novel approaches developed pursuant to Task 1 Overview.	Within 60 days of Department request.				
<b>Total Cost:</b>						
1.4	Test results derived from the new and improved statistical tools.	Within 60 days of Department request.				
<b>Total Cost:</b>						

**ATTACHMENT 4**  
**COST PROPOSAL**  
 Page 7 of 9

<b>Objective 2: Network Filings and Block Transfers</b>						
<b>Task #</b>	<b>Deliverable</b>	<b>Due Date</b>	<b>Classification/Title</b>	<b>Hourly Rate</b>	<b>Approximate Number of Hours</b>	<b>Extended Total</b>
1.5	Written memoranda memorializing recommended methodologies developed pursuant to Task 1 Overview and tasks.	Within 60 days of Department request.				
<b>Total Cost:</b>						

<b>Objective 3: Timely Access Compliance</b>						
<b>Task #</b>	<b>Deliverable</b>	<b>Due Date</b>	<b>Classification/Title</b>	<b>Hourly Rate</b>	<b>Approximate Number of Hours</b>	<b>Extended Total</b>
1.1	Provide recommendations and associated written instructions in memorandum format.	Within 30 days of Department request.				
<b>Total Cost:</b>						
1.2	Written instructions in memorandum format of DMHC approved changes.	Within 30 days of Department request.				
<b>Total Cost:</b>						

**ATTACHMENT 4**  
**COST PROPOSAL**  
 Page 8 of 9

**Deliverable Based Components:**

<b>Objective 3: Timely Access Compliance</b>						
<b>Task #</b>	<b>Deliverable</b>	<b>Due Date</b>	<b>Classification/Title</b>	<b>Hourly Rate</b>	<b>Approximate Number of Hours</b>	<b>Extended Total</b>
2.1	Written analysis and statistical tools to appropriately measure plan data and properly account for errors and/or anomalies in the data.	Annually within 30 days of receipt of the draft Timely Access data.				
<b>Total Cost:</b>						
2.2	Identify patterns and trends in the data and provide written description of patterns and trends as well as the method used to identify them.	Annually within two weeks of the Department's approval of task 2.1.				
<b>Total Cost:</b>						
2.3	Create and provide graphs, description of any data adjustments and data sets to illustrate findings from the plan data.	Annually within two weeks of the Department's approval of task 2.1.				
<b>Total Cost:</b>						
2.4	Identify and provide memorandum with recommendations for changes that better protect consumers based on data.	Annually within 30 days of completion of tasks 2.2 and 2.3.				
<b>Total Cost:</b>						

**ATTACHMENT 4**  
**COST PROPOSAL**  
 Page 9 of 9

**Time and Material Component:**

<b>Objective 4: On Going Consultation</b>				
<b>Task</b>	<b>Classification/Title</b>	<b>Hourly Rate</b>	<b>Approximate Number of Hours</b>	<b>Extended Total</b>
The Contractor will provide ongoing consultation for the Department with regard to all areas of network review described herein: Annual Network Review, Network Filings, Block Transfers and Timely Access. These services may include advising the Department on the interpretation of a statistical tool and other activities or expertise on statistical modeling and analysis.				
				<b>Total Cost:</b>
				<b>Annual Total Cost:</b>
				<b>Total 3 Year Agreement Cost:</b>

The total Agreement amount shall not exceed **\$585,000**.

**ATTACHMENT 5**

PROPOSER REFERENCES

Submission of this attachment is Mandatory. **Failure to complete and return this attachment with your proposal will cause your proposal to be rejected and deemed nonresponsive.**

List below three (3) references or more for organizations for which proposing firm performed similar type of work as specified in Section E, Scope of Work, within the last five (5) years.

<b>REFERENCE 1</b>			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person	Telephone Number		
Dates of Service	Value or Cost of Service		
Brief Description of Service Provided			

<b>REFERENCE 2</b>			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person	Telephone Number		
Dates of Service	Value or Cost of Service		
Brief Description of Service Provided			

<b>REFERENCE 3</b>			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person	Telephone Number		
Dates of Service	Value or Cost of Service		
Brief Description of Service Provided			

**ATTACHMENT 6**

WORK PLAN

Please refer to Section F.5, Work Plan Format and Requirements, for specific instructions.

**ATTACHMENT 7**

**DARFUR CONTRACTING ACT CERTIFICATION**

Public Contract Code Sections 10475 -10481 applies to any company that currently or within the previous three years has had business activities or other operations outside of the United States. For such a company to bid on or submit a proposal for a State of California contract, the company must certify that it is either a) not a scrutinized company; or b) a scrutinized company that has been granted permission by the Department of General Services to submit a proposal.

If your company has not, within the previous three years, had any business activities or other operations outside of the United States, you do **not** need to complete this form.

**OPTION #1 - CERTIFICATION**

If your company, within the previous three years, has had business activities or other operations outside of the United States, in order to be eligible to submit a bid or proposal, please insert your company name and Federal ID Number and complete the certification below.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that a) the prospective Proposer/Bidder named below is **not** a scrutinized company per Public Contract Code 10476; and b) I am duly authorized to legally bind the prospective Proposer/Bidder named below. This certification is made under the laws of the State of California.

<i>Company/Vendor Name (Printed)</i>	<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in the County and State of</i>

**OPTION #2 – WRITTEN PERMISSION FROM DGS**

Pursuant to Public Contract Code section 10477(b), the Director of the Department of General Services may permit a scrutinized company, on a case-by-case basis, to bid on or submit a proposal for a contract with a State agency for goods or services, if it is in the best interests of the State. If you are a scrutinized company that has obtained written permission from the DGS to submit a bid or proposal, complete the information below.

We are a scrutinized company as defined in Public Contract Code section 10476, but we have received written permission from the Department of General Services to submit a bid or proposal pursuant to Public Contract Code section 10477(b). A copy of the written permission from DGS is included with our bid or proposal.

<i>Company/Vendor Name (Printed)</i>	<i>Federal ID Number</i>
<i>Initials of Submitter</i>	
<i>Printed Name and Title of Person Initialing</i>	

**ATTACHMENT 8**

DVBE INCENTIVE APPLICATION REQUEST

Under the DVBE Incentive Regulations, CCR Title 2, Section 1896.99.100, I request the application of the DVBE Program Incentive to RFP 17MC-SA008 to determine if my firm may be in line for bid award.

- a. I understand that the DVBE Incentive application will be applied using the “Low Cost Method” and cannot be used to achieve any applicable minimum point requirements.
- b. I understand the DVBE firm(s) selected must provide a “Commercially Useful Function” as required under Government Codes 14837(d)(4) and Military and Veterans Code 999(b)(5)(B).
- c. I understand I will be required to report my firm’s DVBE activities quarterly to the DMHC Contract Unit.
- d. I understand that subsequent amendments to the Agreement may require continued use of the identified DVBE firm if that contract amendment adds additional funding for continued services.
- e. As the Proposing firm, I identify the following percentage of DVBE participation for this solicitation: \_\_\_\_\_ percent.

<b>SECTION A - PROPOSING FIRM INFORMATION</b>		
Firm Name:		
Firm Representative:		Title:
Firm Address:		
City:	State:	Zip:
Firm Telephone:		
Firm Email Contact:		

<b>SECTION B - PROPOSED DVBE FIRM</b>		
DVBE Firm Name:		
Firm Representative:		Title:
Firm Address:		
City:	State:	Zip:
Firm Telephone:		Firm Fax:
Firm Email Contact:		
DVBE Certification:	DGS OSDS No.:	Date of Expiration:
Services to be Performed:		

**Proposer Instructions:**

1. Complete information in Section A.
2. Fax this form to DVBE firm(s) to complete Section B.
3. Instruct the DVBE firm(s) to provide a copy of their DGS Office of Small and DVBE Services Certification.
4. This form must be included with your proposal to be considered for the DVBE Incentive application.

**ATTACHMENT 9**

CALIFORNIA CIVIL RIGHTS LAWS CERTIFICATION

Pursuant to Public Contract Code section 2010, if a bidder or proposer executes or renews a contract over \$100,000 on or after January 1, 2017, the bidder or proposer hereby certifies compliance with the following:

1. **CALIFORNIA CIVIL RIGHTS LAWS:** For contracts over \$100,000 executed or renewed after January 1, 2017, the contractor certifies compliance with the Unruh Civil Rights Act (Section 51 of the Civil Code) and the Fair Employment and Housing Act (Section 12960 of the Government Code); and
  
2. **EMPLOYER DISCRIMINATORY POLICIES:** For contracts over \$100,000 executed or renewed after January 1, 2017, if a Contractor has an internal policy against a sovereign nation or peoples recognized by the United States government, the Contractor certifies that such policies are not used in violation of the Unruh Civil Rights Act (Section 51 of the Civil Code) or the Fair Employment and Housing Act (Section 12960 of the Government Code).

**CERTIFICATION**

I, the official named below, certify under penalty of perjury under the laws of the State of California that the foregoing is true and correct.  <i>Proposer/Bidder Firm Name (Printed)</i>	<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in the County and State of</i>

**ATTACHMENT 10**  
 (Page 1 of 4)

CCC 04/2017 CERTIFICATION

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the prospective Contractor to the clause(s) listed below. This certification is made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>	<i>Federal ID Number</i>
<i>By (Authorized Signature)</i>	
<i>Printed Name and Title of Person Signing</i>	
<i>Date Executed</i>	<i>Executed in the County of</i>

**CONTRACTOR CERTIFICATION CLAUSES**

1. **STATEMENT OF COMPLIANCE:** Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 11102) (Not applicable to public entities.)

2. **DRUG-FREE WORKPLACE REQUIREMENTS:** Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:

- a. Publish a statement notifying employees that unlawful manufacture, distribution, dispensation, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
- b. Establish a Drug-Free Awareness Program to inform employees about:
  - 1) the dangers of drug abuse in the workplace;
  - 2) the person's or organization's policy of maintaining a drug-free workplace;
  - 3) any available counseling, rehabilitation and employee assistance programs; and,
  - 4) penalties that may be imposed upon employees for drug abuse violations.
- c. Every employee who works on the proposed Agreement will:
  - 1) receive a copy of the company's drug-free workplace policy statement; and,
  - 2) agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

**ATTACHMENT 10**  
(Page 2 of 4)

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

3. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

4. CONTRACTS FOR LEGAL SERVICES \$50,000 OR MORE- PRO BONO REQUIREMENT: Contractor hereby certifies that Contractor will comply with the requirements of Section 6072 of the Business and Professions Code, effective January 1, 2003.

Contractor agrees to make a good faith effort to provide a minimum number of hours of pro bono legal services during each year of the contract equal to the lesser of 30 multiplied by the number of full time attorneys in the firm's offices in the State, with the number of hours prorated on an actual day basis for any contract period of less than a full year or 10% of its contract with the State.

Failure to make a good faith effort may be cause for non-renewal of a state contract for legal services, and may be taken into account when determining the award of future contracts with the State for legal services.

5. EXPATRIATE CORPORATIONS: Contractor hereby declares that it is not an expatriate corporation or subsidiary of an expatriate corporation within the meaning of Public Contract Code Section 10286 and 10286.1, and is eligible to contract with the State of California.

6. SWEATFREE CODE OF CONDUCT:

a. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, other than procurement related to a public works contract, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been laundered or produced in whole or in part by sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, convict labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that they adhere to the Sweatfree Code of Conduct as set forth on the California Department of Industrial Relations website located at [www.dir.ca.gov](http://www.dir.ca.gov), and Public Contract Code Section 6108.

b. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor's compliance with the requirements under paragraph (a).

7. DOMESTIC PARTNERS: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.3.

8. GENDER IDENTITY: For contracts of \$100,000 or more, Contractor certifies that Contractor is in compliance with Public Contract Code section 10295.35.

**ATTACHMENT 10**  
(Page 3 of 4)

**DOING BUSINESS WITH THE STATE OF CALIFORNIA**

The following laws apply to persons or entities doing business with the State of California.

1. **CONFLICT OF INTEREST:** Contractor needs to be aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees (Pub. Contract Code §10410):

- 1). No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
- 2). No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees (Pub. Contract Code §10411):

- 1). For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
- 2). For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.

If Contractor violates any provisions of above paragraphs, such action by Contractor shall render this Agreement void. (Pub. Contract Code §10420)

Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem. (Pub. Contract Code §10430 (e))

2. **LABOR CODE/WORKERS' COMPENSATION:** Contractor needs to be aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)

3. **AMERICANS WITH DISABILITIES ACT:** Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)

**ATTACHMENT 10**

(Page 4 of 4)

4. CONTRACTOR NAME CHANGE: An amendment is required to change the Contractor's name as listed on this Agreement. Upon receipt of legal documentation of the name change the State will process the amendment. Payment of invoices presented with a new name cannot be paid prior to approval of said amendment.

5. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:

a. When agreements are to be performed in the state by corporations, the contracting agencies will be verifying that the contractor is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.

b. "Doing business" is defined in R&TC Section 23101 as actively engaging in any transaction for the purpose of financial or pecuniary gain or profit. Although there are some statutory exceptions to taxation, rarely will a corporate contractor performing within the state not be subject to the franchise tax.

c. Both domestic and foreign corporations (those incorporated outside of California) must be in good standing in order to be qualified to do business in California. Agencies will determine whether a corporation is in good standing by calling the Office of the Secretary of State.

6. RESOLUTION: A county, city, district, or other local public body must provide the State with a copy of a resolution, order, motion, or ordinance of the local governing body which by law has authority to enter into an agreement, authorizing execution of the agreement.

7. AIR OR WATER POLLUTION VIOLATION: Under the State laws, the Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.

8. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

**J. SAMPLE AGREEMENT**  
 STATE OF CALIFORNIA  
**STANDARD AGREEMENT**

STD. 213 (Rev 06/03)

AGREEMENT NUMBER <b>17MC-SA008</b>
REGISTRATION NUMBER

1. This Agreement is entered into between the State Agency and the Contractor named below:  

STATE AGENCY'S NAME <b>Department of Managed Health Care</b>	CONTRACTOR'S NAME
---	-------------------
2. The term of this Agreement is: **June 1, 2018 through May 31, 2021**
3. The maximum amount of this Agreement is: **\$ 585,000**  
**Five Hundred Eighty-Five Thousand Dollars and Zero Cents**
4. The parties agree to comply with the terms and conditions of the following Exhibits, which are by this reference made a part of the Agreement.

<b>Exhibit A - Scope of Work</b>	<b># Pages</b>
<b>Exhibit B - Budget Detail and Payment Provisions</b>	<b># Pages</b>
<b>Exhibit C*- General Terms and Conditions</b>	<b>GTC 04/2017</b>
<b>Exhibit D - Additional Provisions</b>	<b># Pages</b>
<b>Exhibit E - Information Security, Integrity and Confidentiality</b>	<b>2 Pages</b>
<b>Attachment I. Information Security and Confidentiality Statement</b> (for Contractors)	<b>2 Pages</b>
<b>Attachment II. Information Security and Confidentiality Statement</b> (for Employees, Agents & Subcontractors)	<b>1 Page</b>
<b>Attachment III. Information Security Incident Report</b> (for Contractors)	<b>3 Pages</b>
<b>Exhibit F - Résumés</b>	<b># Pages</b>

*Items shown with an Asterisk (\*), are hereby incorporated by reference and made part of this Agreement as if attached hereto. These documents can be viewed at <http://www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx>*

**IN WITNESS WHEREOF, this Agreement has been executed by the parties hereto.**

<b>CONTRACTOR</b>		<b>California Department of General Services Use Only</b>
CONTRACTOR'S NAME <i>(if other than an individual, state whether a corporation, partnership, etc.)</i>		
BY <i>(Authorized Signature)</i>	DATE SIGNED <i>(Do not type)</i>	
PRINTED NAME AND TITLE OF PERSON SIGNING		
ADDRESS		
<b>STATE OF CALIFORNIA</b>		
AGENCY NAME <b>Department of Managed Health Care</b>		
BY <i>(Authorized Signature)</i>	DATE SIGNED <i>(Do not type)</i>	
PRINTED NAME AND TITLE OF PERSON SIGNING <b>Cassandra McTaggart, Deputy Director, Administrative Services</b>		
ADDRESS <b>980 9<sup>th</sup> Street, Suite 500, Sacramento, CA 95814</b>		
		<input type="checkbox"/> Exempt

**EXHIBIT A  
 SCOPE OF WORK**

1. SERVICE OVERVIEW:

The Contractor, \_\_\_\_\_ agrees to provide to the Department of Managed Health Care (DMHC) \_\_\_\_\_ (type of service) as described herein:

*(Service Types: consulting, services, legal, expert witness, etc.)  
 (Give a brief overview of services to be provided)*

2. SERVICE LOCATION AND HOURS: *(as necessary)*

The services shall be performed at \_\_\_\_\_ (location).

*(This can be a geographical location, city/county, Contractor's place of business, State department, etc...)*

The services shall be provided during (time frame, i.e.- working hours, 8am-5pm Monday-Friday except State holidays).

3. CONTRACT TERM:

The term of this contract shall be \_\_\_\_\_ (Month/Day/Year) through \_\_\_\_\_ (Month/Day/Year)

4. CONTRACT MANAGERS:

The Contract Managers during the term of this Agreement will be:

Department of Managed Health Care	Contractor Name:
Division/Unit	Division/Unit:
Name:	Name:
Address: 980 9 <sup>th</sup> Street, Suite 500 Sacramento, CA 95814	Address:
Phone:	Phone:
Fax:	Fax:
E-mail:	E-mail:

The parties may change their Contract Manager upon providing ten (10) days written notice to the other party. Said changes shall not require an amendment to this Agreement.

5. ADMINISTRATIVE REQUIREMENTS

Contractor agrees to complete the Administrative Requirements outlined in *Exhibit C or D* – Additional Provisions *Item 5 or 12*.

6. SERVICES TO BE PERFORMED:

This Agreement contains components which are deliverable based (Task(s) X as well as components based on time and materials (Task(s) X).

A. SERVICES:

- Task 1:
- Task 2:
- Task 3:
- Task 4:

B. CONTRACTOR'S RESPONSIBILITIES:

- 1. *List responsibilities*
- 2. *List responsibilities*
- 3. *List responsibilities*
- 4. *List responsibilities*

C. DMHC'S RESPONSIBILITIES:

- 1. *List responsibilities*
- 2. *List responsibilities*
- 3. *List responsibilities*
- 4. *List responsibilities*

7. DELIVERABLES AND TIMELINE:

Task #	Deliverable	Due Date

**EXHIBIT B**  
**BUDGET DETAIL AND PAYMENT PROVISIONS**

1. INVOICING AND PAYMENT

- A. For services satisfactorily rendered, and upon receipt of appropriate invoices, the State agrees to compensate the Contractor for actual authorized expenditures incurred in accordance with the rates specified herein, which is attached hereto and made a part of this Agreement.
- B. Invoices shall include the DMHC Agreement Number and dates services were performed, and shall be submitted in duplicate not more frequently than monthly in arrears to:

Department of Managed Health Care  
Accounting Office  
980 – 9<sup>th</sup> Street, Suite 500  
Sacramento, CA 95814

- C. Invoices shall contain the following information:
  - 1. Service period covered;
  - 2. Detailed description of services provided. Each activity must be identified by date performed and the number of hours worked on each activity. In addition and as applicable:
    - a. Identify specific deliverable, task or service outlined in SOW;
    - b. Number of hours billed for each activity based upon rounding to the nearest quarter hour increment;
    - c. Name of individual performing service and their hourly billing rate;
    - d. Meeting topics and names of participants;
    - e. Case names;
    - f. Change Request numbers;
    - g.

2. BUDGET CONTINGENCY CLAUSE

- A. It is mutually agreed that if the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no further force and effect. In this event, the State shall have no liability to pay any funds whatsoever to Contractor or to furnish any other considerations under this Agreement and Contractor shall not be obligated to perform any provisions of this Agreement.
- B. If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to Contractor to reflect the reduced amount.

3. PROMPT PAYMENT CLAUSE

Payment will be made in accordance with, and within the time specified in, Government Code Chapter 4.5, commencing with Section 927.

4. BUDGET

- A. The total amount for this Agreement for duties specified under Exhibit A, Scope of Work shall not exceed \$530,000.

- B. Movement of funds between line items is permissible as long as it does not exceed the total budgeted amount and with approval of the DMHC Contract Manager.

SAMPLE

**EXHIBIT C**  
**GENERAL TERMS AND CONDITIONS**

General Terms and Conditions can be viewed online at:  
<http://www.dgs.ca.gov/ols/Resources/StandardContractLanguage.aspx>.

SAMPLE

**EXHIBIT D  
ADDITIONAL PROVISIONS**

1. RESOLUTION OF DISPUTES

Notwithstanding the General Terms and Conditions (Exhibit C), and in compliance with Public Contract Code 10381, DMHC adds:

The Contractor should first discuss the problem informally with the Department of Managed Health Care (DMHC) Contract Manager. If the problem cannot be resolved at this stage, the Contractor must direct the grievance together with any evidence, in writing, to the DMHC program Section Chief. The grievance must state the issues in dispute, the legal authority or other basis for the Contractor's position and the remedy sought. The program Section Chief must make a determination on the problem within ten (10) working days after receipt of the written communication from the Contractor. The program Section Chief shall respond in writing to the Contractor indicating the decision and reasons therefore. Should the Contractor disagree with the program Section Chief's decision, the Contractor may appeal to the next level.

The Contractor must prepare a letter indicating why the program Section Chief's decision is unacceptable, attaching to it the Contractor's original statement of the dispute with supporting documents along with a copy of the program Section Chief's response. This letter shall be sent to the DMHC Deputy Director or designee in which the Section is organized within ten (10) working days from receipt of the program Section Chief's decision. The Deputy Director or designee shall meet with the Contractor to review the issues raised. A written decision signed by the Deputy Director or designee shall be returned to the Contractor within twenty (20) working days of receipt of the Contractor's letter.

Authority to terminate performance under the terms of this Agreement is not subject to appeal under this section. All other issues including, but not limited to, the amount of any equitable adjustment and the amount of any compensation or reimbursement that should be paid to the Contractor shall be subject to the disputes process under this section. (Public Contract Code (PCC) Sections 10240.5, 10381, 22200, et seq.)

2. RIGHTS IN DATA

The Contractor agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement are subject to the rights of the State as set forth in this section. The State shall have the right to reproduce, publish, and use all such work, or any part thereof, in any manner and for any purposes whatsoever and to authorize others to do so, on its behalf. If any Deliverable Work set forth in the Scope of Work is copyrightable, the Contractor, through this Agreement transfers ownership of that copyright to the State, and the State may, as an illustration but not a limitation, reproduce, publish, and use such work, or any part thereof, and authorize others to do so (40 CFR 31.34, 31.36). The State grants the Contractor a royalty-free, nonexclusive, nontransferable, irrevocable license to reproduce, publish and prepare derivative works of the copyrightable work, for noncommercial research and noncommercial educational purposes.

Any material that does not conform to the requirements of this Agreement may be rejected by the State at its discretion. Notice of such a rejection shall be given to the Contractor by the State within ten (10) days of receipt of the materials, and final payment shall not be made for such material until substantial compliance has been obtained within the time and manner determined by the State.

### 3. CONTRACTOR'S RIGHTS AND OBLIGATIONS

Public Contract Code Sections 10335-10381 contain language describing the Contractor's duties, obligations, and rights under this Agreement. By signing this Agreement, the Contractor certifies that he or she has been fully informed regarding these provisions of the Public Contract Code.

As required by Public Contract Code Section 10371(e)(2), résumés attached hereto and by this reference are incorporated herein.

### 4. CONTRACTOR EVALUATION

The Contractor's performance under this Agreement shall be evaluated within sixty (60) days after completion. For this purpose a form designated by the Department of General Services (the "Contract/Contractor Evaluation," Form STD. 4) shall be used. Post-evaluations shall remain on file for a period of thirty-six (36) months. If the Contractor did not satisfactorily perform the work or service specified in the Agreement, Contract Manager shall place one copy of the evaluation form in the Agreement file and send one copy of the form to the Department of General Services within five (5) working days of the completion of the evaluation. Upon filing an unsatisfactory evaluation with the Department of General Services, the Contract Manager shall notify and send a copy of the evaluation to the Contractor within fifteen (15) days. The Contractor shall have thirty (30) days to prepare and send statement to the Contract Manager and the Department of General Services defending his or her performance under the Agreement. The Contractor's statement shall be filed with the evaluation in the Contract Manager's file and at the Department of General Services. (PCC 10369)

### 5. DISCLOSURE REQUIREMENTS

The Contractor shall acknowledge the support of DMHC when publicizing the work performed under this Agreement. Materials developed with contract funds shall contain an acknowledgement of the use of State funds in the development of materials and a disclaimer that the contents do not necessarily reflect the position or policy of DMHC.

If the Contractor or subcontractor(s) are required to prepare multiple documents or written reports, the disclosure statement may also contain a statement indicating that the total Agreement amount represents compensation for multiple documents or written reports.

The Contractor shall include in each of its subcontracts for work under this Agreement a provision which incorporates the requirements stated within this Section.

### 6. LICENSES AND PERMITS

The Contractor shall be an individual or firm licensed to do business in California and shall obtain at his/her expense all license(s) and permit(s) required by law for accomplishing any work required in connection with this Agreement.

If you are a Contractor located within the state of California, a business license from the city/county in which you are headquartered is necessary and must be submitted. However, if you are a corporation, a copy of your incorporation documents/letter from the Secretary of State's Office can be submitted. If you are a Contractor outside the state of California, you will need to submit a copy of your business license or incorporation papers for your respective state showing that your company is in good standing in that state.

In the event any license expires at any time during the term of this Agreement, the Contractor agrees to provide the State with a copy of the renewed license within 30 days following the

expiration date. In the event the Contractor fails to keep in effect at all times all required license(s) and permit(s), the State may, in addition to any other remedies it may have, terminate this Agreement upon occurrence of such event.

## 7. INSURANCE REQUIREMENTS

When the Contractor submits a signed Agreement to the State, if DMHC requests, the Contractor shall furnish a certificate of insurance, stating that there is liability insurance presently in effect of not less than \$2,000,000 per occurrence for bodily injury and property damage liability combined.

The Certificate of Insurance will include provisions a, b, and c in their entirety:

- a. The insurer will not cancel insured's coverage without 30 days prior written notice to the state.
- b. The State of California, its officers, agents, employees, and servants are included as additional insureds, but only insofar as operations under this Agreement are concerned.
- c. The State will not be responsible for any premiums or assessments on the policy. The Contractor agrees that the bodily injury liability insurance herein provided for shall be in effect at all times during the term of this Agreement. In the event said insurance coverage expires at any time during the term of this Agreement, the Contractor agrees to provide at least 30 days prior to said expiration date, a new certificate of insurance evidencing insurance coverage as provided for herein for not less than the remainder of the term of the Agreement, or for a period of not less than one year. New certificates or insurance are subject to the approval of the Department of General Services and the Contractor agrees that no work or services shall be performed prior to the giving of such approval. In the event the Contractor fails to keep in effect at all times insurance coverage as herein provided, the State may, in addition to other remedies it may have, terminate this Agreement upon occurrence of such event.

The State will not provide for nor compensate the Contractor for any insurance premiums or costs for any type or amount of insurance.

### Automobile Liability

The Contractor shall maintain commercial auto liability insurance with limits not less than \$1,000,000 per accident. Such insurance shall cover liability arising out of a motor vehicle including owned, hired and non-owned motor vehicles. Should the scope of the Agreement involve transportation of hazardous materials, an MCS-90 endorsement is required.

### Commercial General Liability

The Contractor, along with any of its subcontractors engaged to perform work pursuant to this Agreement, shall maintain Commercial Liability insurance with limits of at least \$2,000,000 covering any damages caused by an error, omission, or negligent act of the Contractor in connection with the work provided such claims arise during the period commencing upon the preparation of the project work documents and ending 5 years following substantial completion.

### Workers' Compensation

The Contractor certifies and is aware of the provisions of Section 3700 of the Labor Code which requires every employer to be insured against liability for Workers' Compensation or to undertake

self-insurance in accordance with the provisions of that Code and the Contractor agrees to comply with such provisions before commencing performance of the work of this Agreement.

By signing this Agreement, the Contractor hereby warrants that it carries Workers' Compensation Insurance on all of its employees who will be engaged in the performance of this Agreement. If staff provided by the Contractor are defined as independent Contractors, this clause does not apply.

#### 8. TERMINATION WITHOUT CAUSE

Notwithstanding GTC termination clause, DMHC adds the following:

The DMHC may terminate this Agreement for any or no reason whatsoever, upon giving the Contractor thirty (30) calendar days prior written notice.

Any termination shall be effected by written notice to the Contractor, either hand-delivered to the Contractor or sent certified mail, return receipt requested. The notice of termination shall specify the effective date of termination.

Upon receipt of notice of termination, and except as otherwise directed in the notice, the Contractor shall:

- (a) Stop work on the date specified in the notice;
- (b) Place no further orders or enter into any further subcontracts for materials, services or facilities except as necessary to complete work under the Agreement up to effective date of termination;
- (c) Terminate all orders and subcontracts;
- (d) Promptly take all other reasonable and feasible steps to minimize any additional cost, loss, or expenditure associated with work terminated, including, but not limited to reasonable settlement of all outstanding liability and claims arising out of termination of orders and subcontracts;
- (e) Deliver or make available to the DMHC all data, drawings, specifications, reports, estimates, summaries, and such other information and material as may have been accumulated by the Contractor under this Agreement, whether completed, partially completed, or in progress.

In the event of termination, an equitable adjustment in the price provided for in this Agreement shall be made. Such adjustment shall include reasonable compensation for all services rendered, materials supplied, and expenses incurred pursuant to this Agreement prior to the effective date of termination.

#### 9. COMPUTER SOFTWARE COPYRIGHT COMPLIANCE

By signing this Agreement, the Contractor certifies that it has appropriate systems and controls in place to ensure that State funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.

#### 10. ADMINISTRATIVE REQUIREMENTS

The following administrative requirements must be completed before execution of the contract. The Contractor is responsible for any costs or expenses, including time, for completing these items.

##### a. Background Investigation

Due to the nature of the services to be performed, the DMHC requires a thorough background investigation of the Contractor, its agents, subcontractors and individual employees who will have access to medical information as part of their duties under this Agreement; and reserves the right to disapprove any individual from performing under the scope of this Agreement. This background

investigation includes fingerprinting and a California Department of Justice criminal record check. Each Contractor, agent, subcontractor and individual employee who is to perform services under this Agreement must voluntarily consent to a background investigation. Fingerprint rolling fees and background investigation costs will be borne by the Contractor, payable at time of fingerprinting. Previous clearances and/or investigations conducted by other agencies will not be accepted as an alternative to the DMHC's background investigation. It is the Contractor's responsibility to notify the DMHC when an employee working under this Agreement is terminated, not hired or reassigned to other work.

Per Government Code Section 1041, pre-employment background investigations shall be required of contract employees whose duties include or would include access to medical information. The pre-employment background investigation will consist of fingerprinting and an inquiry to the Department of Justice (DOJ) and the Federal Bureau of Investigations (FBI) to disclose Criminal Offender Record Information (CORI). Investigations are conducted to ascertain whether a contract employee has any state or federal convictions, or is currently released from custody on bail or on their own recognizance pending trial, of a crime of "[moral turpitude](#)".

b. Information Security, Integrity and Confidentiality Statement

Complete Attachment I for Contractor Authorized Representative and Attachment II for project employees, agents or sub-Contractors, which certify that the Contractor and the Contractor's staff understand and agree to comply with the DMHC's Information Security and Confidentiality Statement

c. Annual Information Security Awareness and Privacy Training

California state policy requires that the DMHC must provide for the proper use and protection of its information assets and arrange for basic security and privacy awareness training (SAM Sections 5305.1; 5320.1; 5320.2, SIMM 5330-B) for new users, and annually thereafter. Therefore, DMHC Contractors (including subcontractors) who access state resources must complete the designated DMHC online annual Information Security Awareness and Privacy Training prior to accessing DMHC information assets and/or beginning work on a contract. The DMHC Information Security Officer will set up your training account. While the training course is free-of-charge, any expenses, including Contractor time, related to new and/or annual Information Security Awareness and Privacy Training will be the responsibility of the Contractor. Active Contractors/subcontractors must provide a list of their employees' names and email addresses annually to the DMHC Information Security Officer to administer this online annual Information Security Awareness and Privacy Training.

d. Statement of Economic Interests (Form 700)

The California Political Reform Act requires individuals holding positions designated within an agency's conflict of interest code to file an annual Statement of Economic Interests (Form 700). The DMHC's conflict of interest code designates "Consultants" among the positions that must file a Form 700. Your employees or independent Contractors, working on the above named contract, have been designated as such consultants and are required to file an original Form 700 with the DMHC. (See Government Code Sections 82019 and 87302.) Additionally, the Government Code requires all officials, employees and contracted consultants designated to file a Form 700, to also complete an Ethics Certification when first assuming a designated position and then every odd numbered year thereafter. In some cases, this means that consultants may be required to complete the Ethics Certification two years in a row if they assumed their designated position during an even numbered year. (See Government Code Sections 11146 through 11146.4.)

e. CONFLICT OF INTEREST

No Contractor shall participate in the making of, or in any way attempt to influence, a decision in which the Contractor knows, or has reason to know, that it has a financial interest. The Contractor shall notify the DMHC Contract Manager immediately in writing if the Contractor has a potential, or actual, conflict of interest relating to this Agreement.

The Contractor shall abide by the provisions of Government Code Sections 1090, 81000 et seq., 82000 et seq., 87100 et seq., and 87300 et seq., Public Contract Code (PCC) Sections 10335 et seq. and 10410 et seq., California Code of Regulations, Title 2, Section 18700 et seq., and the DMHC Incompatible Activities Policy.

Each of the Contractor's employees assigned to the DMHC project shall file a Statement of Economic Interests, Fair Political Practices Commission (FPPC) Form 700 within thirty (30) days of commencing services under the Agreement, annually during the life of the Agreement, and within thirty (30) days after the expiration of the Agreement.

The Contractor shall have a continuing duty to disclose to the DMHC, in writing, all interests and activities that create an actual or potential conflict of interest in performance of the Agreement.

The Contractor shall have a continuing duty to keep the DMHC timely and fully apprised in writing of any material changes in the Contractor's business structure and/or status. This includes any changes in business form, such as a change from sole proprietorship or partnership into a corporation or vice-versa; any changes in company ownership; any dissolution of the business; any change of the name of the business; any filing in bankruptcy; any revocation of corporate status by the Secretary of State; and any other material changes in the Contractor's business status or structure that could affect the performance of the Contractor's duties under the Agreement.

If the Contractor violates any provision of the above paragraphs, such action by the Contractor shall render this Agreement void.

11. PROHIBITION OF FOLLOW-ON CONTRACTS

No Contractor or subsidiary thereof who has been awarded a consulting services contract may submit a bid for, nor be awarded a contract for, the provision of services, procurement of goods or supplies, or any other related action which is required, suggested, or otherwise deemed appropriate in the end product of the consulting services contract. (PCC 10365.5)

12. POTENTIAL SUBCONTRACTORS

Nothing contained in this Agreement or otherwise, shall create any contractual relationship between the State and any subcontractors, and no subcontract shall relieve the Contractor of responsibilities and obligations hereunder. The Contractor agrees to be as fully responsible to the State for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by Contractor. The Contractor's obligation to pay its subcontractors is an independent obligation from the State's obligation to make payments to the Contractor. Although the State shall have no obligation to pay any moneys directly to any subcontractor, the Contractor is encouraged to make timely payment to its subcontractors under all applicable State laws, rules and regulations.

13. APPROVAL OF SUBCONTRACTS

The Contractor shall adhere to the rules governing subcontracting as set forth in the subcontracting Fair Practices Act, commencing with Public Contract Code Section (PCC) 4100. Any and all subcontractors must be approved by the DMHC Contract Manager. Subcontractor substitutions also shall be in accordance with the above and shall require the approval of the Contract Manager. Violations of this Act by the Contractor may subject the Contractor to penalties and disciplinary action.

14. SUBSTITUTION OF SUBCONTRACTORS/STAFFING

Upon Agreement award, the Contractor must use the subcontractors and/or suppliers which they proposed in their bid submittal to the State unless a substitution is requested in writing for approval by the State's Contract Manager. The request for substitution may not be used as an excuse for non-compliance with any other provision of State or federal law including, but not limited to subletting and subcontracting.

15. FORCE MAJEURE

Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include, but are not limited to:

- Acts of God or of the public enemy, and
- Acts of the federal or State government in either its sovereign or contractual capacity

If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform.

16. PROGRESS REPORTS

The Contractor shall submit progress reports to the State representative (Contract Manager) as required, describing work performed, work status, work progress, difficulties encountered, remedial action, and statement of activity anticipated subsequent to reporting period for approval prior to payment of invoices. The Contractor is to be reimbursed by invoicing, in detail, all costs and charges with Contract Number and sending to designated address.

17. WAIVER OF RIGHTS

Any action or inaction by the State or the failure of the State on any occasion, to enforce any right or provision of the contract, shall not be construed to be a waiver by the State of its rights hereunder and shall not prevent the State from enforcing such provision or right on any future occasion. The rights and remedies of the State herein are cumulative and are in addition to any other rights or remedies that the State may have at law or in equity.

18. AMENDMENTS

The DMHC reserves the right to amend this Agreement for up to an additional year and/or to increase funding for additional Statistical Analysis Services. Should the DMHC amend this Agreement to extend the term, the proposed rates or prices shall remain the same. All terms and conditions shall remain the same, unless changes are mutually agreed upon by the Contractor and the DMHC and incorporated into the amendment. All Agreement amendments are subject to satisfactory performance and funding availability and approval by DGS. Agreement amendments will not take effect until the Contractor has received a copy of the final contract document that has been signed by the DMHC Contract Officer or designee.

**EXHIBIT E**  
**INFORMATION SECURITY, INTEGRITY, AND CONFIDENTIALITY**

Where access to personal<sup>[1]</sup>, confidential<sup>[2]</sup>, and/or sensitive<sup>[3]</sup> information assets<sup>[4]</sup> (hereafter, collectively referred to as Confidential Information) is required in the performance of this Agreement for the Department of Managed Health Care (Department); or access to such information is not required but physical access to facilities or computer systems is required and such access presents the potential for incidental access and/or inadvertent disclosure of such information, Contractor agrees to the following:

1. **General Confidentiality of Data Provision:** Contractor shall protect all Confidential Information from unauthorized use and disclosure through the observance of the same or more effective procedural requirements as are applicable to the State. This includes, but is not limited to, the secure transport, transmission and storage of data used or acquired in the performance of this Agreement. No reports, information, discoveries or data obtained, assembled or developed by Contractor in the performance of this Agreement may be released, published or made available to any individual or entity without prior written approval from the Department. Contractor shall retain as confidential all work performed under this Agreement, recommendations and/or reports made to the Department, and all discussions between Contractor and Department staff, including all communications, whether oral, written or electronic. The Department may deem non-confidential part or all of the work or other information referenced in this Paragraph without prior permission of Contractor.
2. Contractor warrants and certifies that in the performance of this Agreement, it will comply with all applicable statutes, rules, regulations and orders of the United States and the State of California and agrees to indemnify the State against any loss, cost, damage or liability by reason of Contractor's violation of this provision, including but not limited to information handling and confidentiality requirements outlined in the California Information Practices Act (Civil Code sections 1798 et.seq.).
3. Contractor shall not, except as authorized or required by his or her duties by law, reveal or divulge to any person or entity any of the Confidential Information concerning the Department and its affiliates which becomes known to him or her during the term of this Agreement.
4. Contractor shall keep confidential all Confidential Information entrusted to him or her and shall not use or attempt to use any such Confidential Information in any manner which may injure or cause loss, either directly or indirectly, to the Department.
5. Contractor shall comply, and shall cause its agents, subcontractors and individual employees to comply, with such directions as the Department shall make to ensure the safeguarding or confidentiality of all its resources.

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<sup>[1]</sup> Information that identifies or describes an individual, including but not limited to, name, social security number, physical description, home address, home telephone number, education, financial account numbers, employment history and individually identifiable health information. (See California State Administrative Manual, sections 5300.4 and 5320.5.)

<sup>[2]</sup> Information that is exempt from disclosure under the provisions of the California Public Records Act (GC 6250-6265) or other applicable state or federal laws. (See California State Administrative Manual, sections 5300.4 and 5320.5.)

<sup>[3]</sup> Information, either public or confidential, maintained by the Department that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive information includes, but is not limited to, records of the Department's financial transactions and regulatory actions. (See California State Administrative Manual, sections 5300.4 and 5320.5.)

<sup>[4]</sup> All categories of automated information, including but not limited to records, files, statistics and databases; and information technology facilities, equipment (including personal computer systems), and software owned or leased by the Department. (See California State Administrative Manual, section 5300.4.)

6. The Department reserves the right to require that, prior to commencing work on this contract, Contractor, its agents, subcontractors and individual employees who will be involved in the performance of this Agreement, sign an information security and confidentiality statement, in a form to be provided by the Department. In such cases, Contractor shall attest that its agents, subcontractors and individual employees who will be involved in the performance of this Agreement are bound by terms of a confidentiality Agreement with Contractor similar in nature to this statement.
7. Contractor shall immediately notify the Department when it discovers that there may have been a breach in security which has or may have resulted in compromise to Confidential Information. For purposes of this Paragraph, immediately is defined as within 2 hours of discovery. The Department contact for such notification is as follows:

Information Security Officer  
Department of Managed Health Care  
980 9<sup>th</sup> Street, Suite 500  
Sacramento, CA 95814

916-445-7460 Phone  
916-322-0662 FAX

Contractor shall furnish written notification of the discovery, including a description of the nature of the breach or potential breach in security, in a form to be provided by the Department, to the Department contact within 48 hours of Contractor's discovery.

8. Contractor agrees to properly secure and maintain any computer systems (hardware and software applications) that Contractor will use in the performance of this Agreement. This includes ensuring that all security patches, upgrades, and anti-virus updates are applied appropriately to secure data that may be used, transmitted, or stored on such systems in the performance of this Agreement.
9. Whenever Contractor utilizes non-State issued equipment in the performance of this Agreement, Contractor agrees, in addition to Paragraphs 1 through 8 above, to abide by the requirement of State Administrative Manual (SAM) [Section 5305.8](#).



- <sup>1</sup> Information that identifies or describes an individual, including, but not limited to, name, social security number, physical description, home address, home telephone number, education, financial account numbers, employment history and individually identifiable health information. (See California State Administrative Manual, sections 5300.4 and 5320.5.)
- <sup>2</sup> Information that is exempt from disclosure under the provisions of the California Public Records Act (GC §§6250-6265) or other applicable state or federal laws. (See California State Administrative Manual, sections 5300.4 and 5320.5.)
- <sup>3</sup> Information, either public or confidential, maintained by the Department that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive information includes, but is not limited to, records of the Department's financial transactions and regulatory actions. (See California State Administrative Manual, sections 5300.4 and 5320.5.)
- <sup>4</sup> All categories of automated information, including but not limited to records, files, statistics and databases; and information technology facilities, equipment (including personal computer systems), and software owned or leased by the Department. (See California State Administrative Manual, section 5300.4.)

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<sup>[4]</sup> All categories of automated information, including but not limited to records, files, statistics and databases; and information technology facilities, equipment (including personal computer systems), and software owned or leased by the Department. (See California State Administrative Manual, section 5300.4.)

**ATTACHMENT II**  
**INFORMATION SECURITY AND CONFIDENTIALITY STATEMENT**  
(for Employees, Agents and Subcontractors)

As an employee, agent or subcontractor of **PRIME CONTRACTOR NAME.**, I understand that, while performing my duties under Agreement number (*Final Agreement Number*) with the California Department of Managed Health Care (Department), I may have access to personal<sup>2</sup>, confidential<sup>3</sup>, and/or sensitive<sup>4</sup> information assets<sup>5</sup> as well as documents. I agree to protect these assets and documents from unauthorized (accidental or intentional) access, modification, destruction, or disclosure. Moreover, I agree to safeguard the integrity of the Department's information assets and documents and preserve them for their intended purpose, including the availability, accuracy, and completeness of information systems and the data maintained within those systems.

Special precautions are necessary to protect the Department's information assets. As such, **I agree to comply with all State and Federal law and policy regarding use of information assets and agree to:**

- Access and use information assets only for performing duties pursuant to Agreement number (*Final Agreement Number*) with the Department;
- Ensure that encryption technology has been installed and is being maintained for all personal, sensitive, or confidential information that is stored on portable electronic storage media (including, but not limited to, CDs and thumb drives) and on portable computing devices (including, but not limited to, handheld devices, laptop and notebook computers) following the Federal Information Processing Standards (FIPS 140-2).
- Store and transmit information assets in accordance with the Department's information security practices, including, but not limited to, using encryption technology;
- Maintain security patches and upgrades, and keep virus software up-to-date on all systems on which the information assets may be used;
- Set the lock computer feature on personal laptops or PCs to automatically engage after no more than 15 (fifteen) minutes of keyboard and/or mouse inactivity;
- Never access information assets for illegal use, personal interest or advantage;
- Never show, disclose or discuss information assets to or with unauthorized persons;
- Never remove information assets from any Department-controlled work area without authorization; and
- Notify my supervisor/manager under this Agreement immediately if I discover that there may have been a breach in security involving these information assets.

*I understand that my activities involving the Department's information assets may be monitored and that my personal equipment may be randomly audited for security compliance at the Department's discretion. I give express consent to such monitoring and auditing. I certify that I have read, understand and will comply with this Information Security and Confidentiality Statement.*

**Print Full Name**

**Signature**

**Date**

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

<sup>2</sup> Information that identifies or describes an individual, including, but not limited to, name, social security number, physical description, home address, home telephone number, education, financial account numbers, employment history and individually identifiable health information. (See California State Administrative Manual, sections 5300.4 and 5320.5.)

<sup>3</sup> Information that is exempt from disclosure under the provisions of the California Public Records Act (GC §§6250-6265) or other applicable state or federal laws. (See California State Administrative Manual, sections 5300.4 and 5320.5.)

<sup>4</sup> Information, either public or confidential, maintained by the Department that requires special precautions to protect from unauthorized use, access, disclosure, modification, loss, or deletion. Sensitive information includes, but is not limited to, records of the Department's financial transactions and regulatory actions. (See California State Administrative Manual, sections 5300.4 and 5320.5.)

<sup>5</sup> All categories of automated information, including but not limited to records, files, statistics and databases; and information technology facilities, equipment (including personal computer systems), and software owned or leased by the Department. (See California State Administrative Manual, section 5300.4.)

**ATTACHMENT III**  
**INFORMATION SECURITY INCIDENT REPORT FOR CONTRACTORS**

Contractor is required to follow a prescribed process when an information security incident occurs. Contractor must notify the Department of Managed Health Care's (DMHC) Information Security Officer (ISO) immediately upon discovery of an incident. The prescribed process includes the following steps:

**1. Immediately call the DMHC ISO at (916) 323-7908 to report the incident**

You may leave a message if the DMHC ISO is not available. Leave your contact information. You will receive a call back within 24-hours of your call.

**2. Guidance for reporting the incident**

- Name and address of the reporting entity.
- Name, address, e-mail address, and phone number(s) of the reporting person.
- Name, address, e-mail address, and phone number(s) of the alternate contact.
- Description of the incident.
- Date and time the incident occurred.
- Date and time the incident was discovered.
- Make / model of the affected computer(s).
- IP address of the affected computers(s).
- Assigned name of the affected computers(s).
- Operating system of the affected computers(s).
- Location of the affected computers(s).
- Any actions at and following the time of discovery that were taken prior to calling the DMHC ISO.

**IMPORTANT:** Reporting must NOT be delayed until all of this information is gathered. It is understood that in some circumstances this information may not be readily available. Therefore, the reporting entity must make the report to the DMHC ISO immediately and provide as much information as possible at the time the incident is discovered.

**3. Personally Identifiable Information (PII)**

Contractor is required to report whether the incident involves personally identifiable information, including, but not limited to, breach notice-triggering personal information as defined in California Civil Code Section 1798.29. **Note: this section now includes categories of medical information and health information.**

**4. Written Report**

The Information Security Incident Report for Contractors must be completed and forwarded to the Office of Technology and Innovation - Security Management Division within 48 (forty-eight) hours following Contractor's discovery of the incident. The completed Incident Report must be signed by the appropriate Contractor staff authorized to sign on behalf of the Contractor.

The Incident Report must be mailed to the address listed on the report. An electronic version of the Incident Report, in lieu of a hard copy, may be made available at the discretion of the DMHC ISO.

Contractor Name: \_\_\_\_\_ Contract No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Phone Number: \_\_\_\_\_ Email: \_\_\_\_\_

**A. Date the DMHC ISO was notified:** \_\_\_\_\_

**B. Incident Details:**

1. Date incident occurred: \_\_\_\_\_  Unknown
2. Date incident detected: \_\_\_\_\_  Unknown
3. Incident location: \_\_\_\_\_
4. General description: \_\_\_\_\_

5. Media/Device type, if applicable: \_\_\_\_\_

- a) Was the portable storage device encrypted?  Yes  No

If NO, explain: \_\_\_\_\_

6. Incidents involving personally identifiable information:

- a) Was personally identifiable information involved?  Yes  No (If No, go to Part C)

Type of personally identifiable information (Check all that apply):

- |   |  |
|---|--|
| <input type="checkbox"/> Name                             | <input type="checkbox"/> Health or Medical Information |
| <input type="checkbox"/> Social Security Number           | <input type="checkbox"/> Financial Account Number      |
| <input type="checkbox"/> Driver's License/State ID Number | <input type="checkbox"/> Other (Specify)               |

- b) Number of individuals affected: \_\_\_\_\_

**C. Corrective Actions Planned/Taken to Prevent Future Occurrences:**

1. Date corrective actions will be fully implemented: \_\_\_\_\_

**D. Signature** (Authorized Contractor Staff):

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

**Incident report must be mailed to:**

Department of Managed Health Care  
OTI - Security Management Division  
Attention: Information Security Officer  
980 9<sup>th</sup> Street, Suite 500  
Sacramento, CA 95814

**Note:** An electronic version of the Incident Report, in lieu of a hard copy, may be made available at the discretion of the DMHC ISO.

***The information contained in this document is confidential and should be maintained and safeguarded as confidential information.***

### Instructions

Contractor Name – Provide your company's name.

Contract Number - Provide DMHC Contract number involved.

Address – Provide your company's address, phone number, and email address.

- A. Date of notification** by phone to the DMHC ISO at **(916) 323-7908**. Notification to other DMHC staff by email or any other method is NOT a substitute for the required DMHC ISO notification.
- B. Incident Details** - Provide the date the incident occurred and the date the incident was discovered, if known. In the general description field, provide an overview of the incident with enough details so that the incident can be easily understood. Do not include any personally identifiable information (such as social security numbers, home addresses, etc.). Your report should include the following information, as applicable:
1. **Date incident occurred.**
  2. **Date incident discovered.**
  3. **Incident location** – Provide the location where the incident occurred. For example, if a laptop was stolen from an employee's home, suggested content might be, "Employee's Home, Roseville, CA" or, if the incident occurred at the Contractor's office, suggested content might be, "Contractor's Headquarters, 123 Any Street, Sacramento, CA"
  4. **General description** – include the following in the description:
    - When the incident occurred and how it was discovered.
    - The number of people affected by this incident.
    - The details of any law enforcement investigation of this incident, such as, which agency investigated, when, and the report number.
    - Any personal, confidential, or sensitive information involved.
  5. **Media/Device type, if applicable** – Provide the type of media or device involved in the incident, such as paper (fax, mail, etc.) or electronic (CD, floppy drive, laptop, PDA, email, thumb drive, etc.).
    - a) **Was the portable storage device encrypted?** – Check appropriate box. If NO, describe why the storage device was not encrypted.
  6. **Incidents involving personally identifiable information:**
    - a) **Was personally identifiable information involved?** – Check appropriate boxes.
    - b) **Number of individuals affected** – Identify the number of individuals whose personally identifiable information was breached.
- C. Corrective Actions Planned/Taken to Prevent Future Occurrences** – Provide a detailed description of the corrective actions taken, or planned to be taken, by your company to prevent future occurrences of a similar incident.
1. **Date corrective actions will be fully implemented** – Provide a date when the corrective actions were, or will be, fully implemented.
- D. Signatures** – Authorized Contractor representative must sign this report.

**Mail the completed Incident Report, without these instructions, to:**

Department of Managed Health Care  
OTI - Security Management Division  
Attention: Information Security Officer  
980 9<sup>th</sup> Street, Suite 500  
Sacramento, CA 95814

**Note:** An electronic version of the Incident Report, in lieu of a hard copy, may be made available at the discretion of the DMHC ISO.